9年6月11日第三種郵便物認可　昭和27年8月8日国鉄特別扱承認雑誌第2335号　毎月1日発行　昭和31年4月1日発行

The ORIENTAL ECONOMIST

ESTABLISHED 1934

OL. XXIV　APRIL, 1956　No. 546

Mr. Dulles' Visit

S.E. Asia Development

Small Constituency System

Stock Acquisition by Aliens

New Soviet Policy

Cartelization Progressing

Business Upturn

Pattern of Manufacturing Industry

Local Government Finance

Contract of Sale in International Trading

¥180

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Contents

Single copies ¥180; Annual subscription ¥2,100; Overseas ¥2,300.

Published monthly by The Oriental Economist, Nihombashi, Tokyo, Japan.

Review of the Month

MR. DULLES' VISIT

U.S. Secretary of State John Foster Dulles arrived in Tokyo on March 18 on a last lap of his whirlwind trip of the 10 countries of Free Asia on his way back from the meeting of SEATO at Karachi. Although no definite conclusions were apparently drawn from the talks between Mr. Dulles and Japanese leaders headed by Prime Minister Hatoyama during his short 26-hour stay in the Japanese capital, the visit certainly went a long way towards further enhancing the mutual understandings between the two countries on vital problems at issue.

On the list of the problems discussed were the U.S. mediation for the Tokyo-Seoul deadlock, technical assistance for the development of Southeast Asia, the suspension of the testing of hydrogen and atomic bombs, the request of former residents of the Ogasawara Islands for permission to return to their homes, expansion of Japanese trade with Communist China, the Soviet-Japanese talks, Japan's participation in the United Nations, Japanese emigration to underdeveloped regions and the American consideration of the Japanese national sentiment. While the U.S. Secretary promised to give his careful consideration to the problems brought to his scrutiny, what he stressed most strongly throughout the talks was the importance of a closer unity among the anti-Communist camp. Mr. Dulles reportedly emphasized that the basic policy of the Soviet Union to communize the world has not changed and that the maintenance of world peace today has been made possible as the strength of the Western European Power is greater than that of the Soviet Union. Hence, he is reported to have said the present efforts for proper military strength cannot be stopped and the U.S. would never tolerate hostile Communist forces dominating Southeast Asia. Mr. Dulles is said to have further pointed out that the Soviet Union has changed its policy from direct military invasion to indirect invasion in the form of economic aid, and hence Free World countries should further strengthen economic cooperation and assistance. It appeared that Mr. Dulles did not change the basic view that world peace depends on the balance of power, although he fully recognized the need of increasing economic aid to Asiatic countries. The U.S. policy on this point was well endorsed by a special message which President Eisenhower addressed to Congress on March 19, asking for $4,859,975,000 in foreign aid during the next fiscal year with greater stress apparently placed on military assistance. As long as the present view that the bolstering of military power in Free World nations has forced the Soviet Union to abandon military invasion continues to predominate in the United States, this priority to military aid in the U.S. foreign aid program will remain unchanged. On the other hand, however, Asian developments are demanding a greater need of economic assistance.

S.E. ASIA DEVELOPMENT

It is reported that Secretary Dulles manifested great interest in the Southeast Asian development program. Japanese official and financial circles have been eagerly advocating the need of an extensive program for developing Southeast Asia with Japanese technique and capital goods under the financial support of the United States ever since ex-Prime Minister Shigeru Yoshida broached the original idea in the form of the "Southeast Asian development fund" when he visited Washington a few years ago. A similar proposal was repeated by the Japanese delegation at several regional conferences held in Southeast Asia such as the ECAFE meeting or the Simla conference, but such plan have so far failed to take concrete shape. This problem, however, has again come into the limelight when Eric Johnson, president of the Motion Picture Export Association of America, suggested the establishment of an international public corporation for Southeast Asian economic development at a luncheon meeting held in his honor by the Tokyo Chamber of Commerce and Industry on February 28.

Mr. Johnson's idea has attracted particular attention of Japan's financial circles which hesitated to take his offer simply as a complimentary gesture in the course of a sales campaign of American motion pictures because of an official position he also holds as chairman of the U.S. International Development Advisory Board attached directly to the President's Office. In summary, Mr. Johnson's suggestion calls for the creation of a quasi-public corporation, international in scope and stature, capitalized at more than $1,000 million and tasked with the extension of loans of 20 to 50 years in duration bearing low rates of interest for the economic development of Asia (highways, railroads, docks, mines, etc.). For the funds required by the proposed corporation, governmental and private capital in developed free nations of the world including Japan would be mobilized with the United States offering the first half and other countries the remaining half. This program is still in embryo and its realization depends entirely upon the approval of the U.S. Government.

Another plan for Asian development has come formally from the U.S. Government. It envisages a new formula for the acceptance of surplus farm produce by MSA. Under this formula, the U.S. Government proposes to sell surplus farm produce in yen currency so that it may get enough yen funds to buy in Japan aid goods bound for Southeast Asian regions. For all its merits and demerits, this plan appears far more realistic than the Johnston proposal.

Still another development plan linking development schemes in Southeast Asian countries and Japanese reparations, which was brought to Mr. Dulles' attention during his visit, is said to have been fully endorsed by the Secretary of State. In this plan, reference is made, for instance, to Burma where capital goods delivered to that country in reparations payment have remained not sufficiently utilized because of the shortage of funds. Particularly in the case of heavy machinery like plants, huge funds are needed to put them in motion. At present, however, such capital goods are not contributing to the economic rehabilitation of the country in the least as they remain out of operation due to the lack of operating funds. Under the circumstances, the plan proposes to get U.S. capital mobilized simultaneously with future Japanese reparations payments to countries like the Philippines and Indonesia so that developments in such areas may be accelerated.

Many and various plans are now under study for the economic developments in Southeast Asia. If Washington is really desirous of countering the new Soviet offensive with new aid programs, however, it should take care to make such offers unstringed and well paying to recipient nations with the racial sentiment in underdeveloped regions well in consideration. Otherwise, little may be expected.

SMALL CONSTITUENCY SYSTEM

The Government-sponsored Election Law Revision Bill aiming at the adoption of a small constituency system was finally placed on the tapis at the plenary session of the House of Representatives on March 23 after all the efforts of the Socialist Party to block its debate had proved abortive. The Socialists introduced a series of non-confidence resolutions against some Cabinet Ministers to defer the debate for three days. This was the limit, however, in the parliamentary procedures in which majority decisions predominate. Although the bill has thus been steered into the Lower House, it is feared that the worst is still in store, as the Socialists are certain to take all opportunities offered to delay the passage of the bill much to the worry of voters.

This Liberal-Democratic sponsored revision, which heralds the advent of a small electoral structure, calls for the subdivision of the existing 117 electoral districts into 477 smaller constituencies and the increase of the number of the Lower House members by 30 from the present 467 to 497. All the 477 electoral districts under the revised system will be the one-member constituencies with the exception of 20 from which two, instead of one, Representatives are elected. The proposed small electoral structure is bound to cripple miserably the position of the Japan Socialist Party which has so far been dependent almost solely upon the unionized strength of workers. On the other hand, the new system will prove highly advantageous to the conservatives who generally make use of their individual popularity or personal influence in specific districts. Hence, the Socialist opposition is quite justifiable. Moreover, the fact that the subdivision of the constituencies has been so manipulated as to be particularly partial to the ruling Liberal-Democratic Party has left no room for a compromise between the two major parties. In

the frontal clash which has ensued, the Administration party is attempting to force the bill through the Diet by numerical superiority while Socialists are determined to resort to all possible means available, even by boycotting the Diet session, to block its passage. When finally at bay, Socialists Representatives are apparently ready to resign en bloc to resist the Liberal-Democratic onslaught. In this irreconcilable confrontation, the merits or demerits of the new electoral structure through the proposed revision are entirely out of consideration to the Socialist Party which regards the minor constituency structure as the Liberal-Democratic Party's coup d'etat to control the two-thirds of the seats in the House of Representatives required for the Constitutional revision. Thus, in the virtual absence of any chances for a compromise between the two rival parties, what counts to decide the fate of the bill is destined to be only the skill of parliamentary tactics.

At the time when the two-party system made its debut in Japanese politics last year through the merger of the Liberals and Democrats and the reunification of the Socialists, we hoped that it would mark a big step towards the progress of democracy in this country. The Japanese people wished that the nation would thus be enabled to follow the middle-of-the-road politics with the Conservatives working to check the extreme inclination of the Socialists towards the left and the Socialists serving to curb the excessive swing of the Conservatives towards the right. Any grave consequence from the present clash between the Government and Opposition Parties, therefore, is feared to compel people to lose their trust and confidence in parliamentary politics, and this may, in turn, serve to encourage the rise of fascist influences in this country.

STOCK ACQUISITION BY ALIENS

A sentiment appears well in evidence in some governmental and financial circles in favor of an extension of the existing restrictions on the acquisition of Japanese stocks by Americans through yen payments which are due to expire as of October 30 this year. Under the foreign investments law now in operation, foreigners are prohibited from obtaining Japanese stocks with yen payments not secured by foreign currency. On the other hand, Article 7 of the Japan-United States Treaty of Friendship, Commerce and Navigation (which took effect on October 30, 1953) provides that nationals of either Party shall be accorded national treatment with respect of engaging all types of commercial, industrial, financial and other business activities within the territory of the other Party. Hence, had the provisions of Article 7 been allowed to be enforced without restriction, the restrictions provided for under the foreign investment law should have been totally lifted. At the time when the friendship treaty was signed, however, the national economy of Japan was still fragile and the unrestricted freedom of foreigners to acquire Japanese stocks was feared to place Japanese business and industry at the command of foreign investors. In view of the situation, it was agreed by the Japanese and U.S. treaty drafters to recognize the imposition of certain restrictions on the acquisition of Japanese stocks by Americans through yen payments for the period of three years from the time of the enforcement of the friendship treaty under the provisions of Clause 15 of the protocol which accompanied the treaty. This period of grace is due to expire as of October 30, this year. Thus, in the absence of a new agreement between the two contracting Parties, Japan is to stand under the obligation to permit the free and unrestricted acquisition of Japanese stocks by American nationals.

Keidanren (Federation of Economic Organizations) recently submitted a petition to the Government, demanding an extension of the existing restrictions for another year. In this petition, the Federation pointed out that the fragile foundation of the national economy of Japan due to the extreme meagreness of corporate capital has not yet been sufficiently rectified. It was further stressed in the petition that in the half-year business term ending May, 1955, the incorporation of reappraised reserves into capital amounted to only 7.6 per cent. In the coming year, however, corporate capital is expected to grow considerably, as much more reappraised reserve is slated to be incorporated into capital, while internal reserve has been steadily increasing. Hence, the request for another year for the continuance of the existing restrictions.

It is estimated that the yen reserves in the hands of foreigners at present stand at about ¥30 billion, of which some ¥6 billion (or about 20 per cent) are mobilizable for investments in Japanese stocks in October, this year. However, it is highly problematic whether the estimated total of ¥6 billion may be bound for stock investments in toto, and it is equally unlikely that the sum will be used for cornering any specific stocks. Frank A. Waring, Counsellor of the U.S. Embassy here, touching on this subject, stated that the majority of Americans in Japan are apparently desirous of keeping their yen reserves in Japan in a "liquid" position instead of having them fixed through the purchases of stocks.

We consider it not advisable for Japan to let the restrictions in question continue long, as such an attempt goes counter to the spirit of the friendship treaty and does harm to the relations of amity between the two countries concerned. We favor the lifting of existing restrictions. Particularly worthy of special consideration in this connection is the alleviation of current restrictions on the remittance of American yen reserves in this country. On the other hand, an understanding between the two countries to impose necessary restrictions in case the acqusition of stocks by American Nationals threaten to confuse the basis of the Japanese economy will also serve the purpose.

Business Indicators

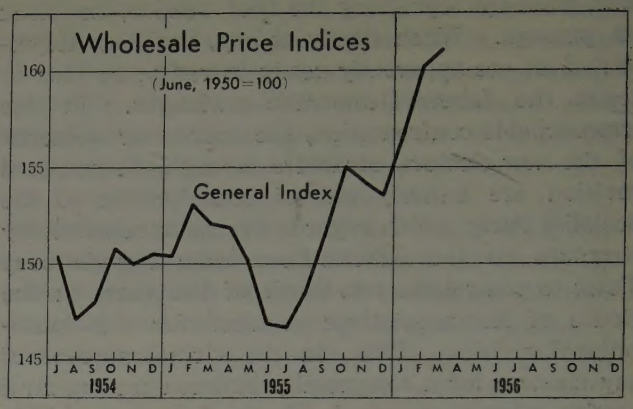
Production :—Production maintained a strong tempo into January although the month's index slipped below the December mark somewhat. Because of more "New Year holidays", production in January would generally fall, and this trend was witnessed this year with the index for the month down 8.5% from the December level, but this slip was still more encouraging than the 12.0% drop registered in January, 1955 from the preceding month. Indicative of the continued activity, January production this year was 20.3% larger than a year ago (manufacturing up 21.3% and mining up 10.1%). In the manufacturing sector, machinery and foodstuffs headed the list of gainers, registering a hike of 33.7% and a gain of 32.5%, respectively, over a year ago. The strength of machinery is more or less reactionary in nature, coming in the wake of a long-drawn depression since 1953 and spurred by a business pickup since early 1955. The Economic Planning Board revealed that orders for machinery received during 1955 were 46.0% larger than those in 1954. The hike of foodstuffs is indicative of the smooth gain of consumer demands. Next to machinery and foodstuffs, chemicals, metals, rubber, hides and leathers fared well with their increases over a year ago ranging between 21.0% to 26.0%. Export animation has been responsible for the activity of metals and chemicals while the recovery of rubber, hides and leathers have come in the wake of the 1953-54 depression.

1. JANUARY PRODUCTION INDICES
(1934-36 average=100)

	Dec., 1955	Jan., 1956	Against Dec., 1955	Against Jan., 1955
Mining-Manufacturing	198.0	183.1	92.5	120.3
Mining	128.2	121.0	94.4	110.1
Manufacturing	207.5	191.6	92.3	121.3
Foodstuffs	234.8	199.3	84.9	132.5
Textiles	91.1	85.2	93.5	110.5
Printing, Bookbinding	127.6	118.2	92.6	99.9
Chemicals	349.7	327.3	93.6	125.6
Rubber, Leathers	197.6	181.8	92.0	121.3
Lumber & Wood Products	197.7	197.7	100.0	115.1
Ceramics	192.4	176.5	91.7	113.0
Metals	238.9	225.8	94.7	123.5
Machinery	285.9	251.6	89.8	133.7

Source: Economic Planning Board.

Inventories :—Manufacturers' inventories as of January registered a 3.3% increase over the December mark but were still 7.3% smaller than a year ago. The sharpest loser was mining which receded by about 30.0% while non-ferrous metals followed with a loss of 23.0%. Also down were ceramics (16.0% smaller), iron and steel (11.0% less) and textile goods (10.0% slimmer). Merchants' inventories also declined by about 5.0% during 1955. The steady decrease of inventories despite the strong tempo of production has been chiefly attributable to brisk exports and



active domestic consumption. Strong overseas demands have been particularly responsible for the marked dwindling of inventories of non-ferrous metals and iron-steel, although the rising domestic consumption (notably in shipbuilding catering to export ships) has come as an additional stimulant. Stocks of textile goods and ceramic products have receded also due to rising exports and increasing home demands. Inventories of raw materials too are on the wane. Due to active imports, domestic stocks of raw materials have been steadily replenished but not sufficiently enough to catch up with active consumption resultant from energetic production. Hence, the January-end inventories of raw materials were 5.2% smaller than a year ago. Under the circumstances, the maintenance of the current pitch of production is bound to become difficult without larger imports of raw materials.

2. INDICES OF MANUFACTURERS' INVENTORIES
(1950 average=100)

	Dec., 1955	Jan., 1956	Against Dec., 1955	Against Jan., 1955
Mining-Manufacturing	132.0	136.2	103.3	92.7
Mining	82.1	81.6	99.4	69.4
Manufacturing	138.3	143.2	103.5	95.0
Iron & Steel	155.8	162.1	104.0	88.8
Non-ferrous Metals	65.0	71.9	110.6	77.2
Machinery	160.9	163.3	101.5	98.2
Textiles	102.8	108.4	105.4	90.3
Paper, Pulp	296.5	311.5	105.1	117.5
Chemicals	248.4	244.4	98.4	111.9
Petroleum, Coal Products	143.0	154.2	107.8	98.5
Ceramics	126.7	127.6	100.7	84.3
Rubber Goods	175.5	176.6	100.6	135.3
Hides, Leathers	106.2	109.4	103.0	117.9
Others	77.5	78.6	101.4	99.7

Source: Ministry of International Trade & Industry.

Consumer Demand :—Domestic consumer demand has continued lively. According to the Economic Planning Board, the domestic consumption level remained under the mark a year ago until about April, last year and then began to pick up from May. The rising tempo has been especially noteworthy since the fall of 1955 with the index for November up 10.0% over a year ago (15.0% up in the urban area

and 5.0% up in the suburban area). The sharp gain of the consumption level in the city area has naturally boosted department store sales. According to the Ministry of International Trade and Industry, monthly department store sales have begun to eclipse the corresponding figures a year ago from September last year with the December index registering a 12.0% gain over December, 1954. This was about double the equivalent increasing rate in December, 1954 as compared with a year before. The fair tone continued into this year with the sales (in the Tokyo metropolitan area alone) up 12.0% in January and 16.0% in February as compared with a year ago. A business survey by the same Ministry also revealed that the sales of retailers (23,000 shops) and wholesalers (8,000 shops) in Japan increased by 10.0 to 20.0% over a year ago during the October-December period in 1955. With consumption continuing active and exports growing brisk, investment activity has been accelerated, accompanied by the swelling of investment financing operations. Under the circumstances, consumer demand is destined to fare well at least for some time to come.

3. DEPARTMENT STORE SALES

	1953—54		1954—55	
	¥100 million	Indices (A year ago as 100)	¥100 million	Indices (A year ago as 100)
June	137.3	112.1	147.1	107.2
July	182.4	113.1	193.1	105.9
August	142.4	102.7	138.7	108.1
September	111.3	99.4	124.5	111.9
October	173.0	113.0	173.7	100.4
November	173.8	97.9	195.3	112.4
December	367.6	106.8	410.2	111.6

Source: Compiled by *The Oriental Economist* from MITI figures.

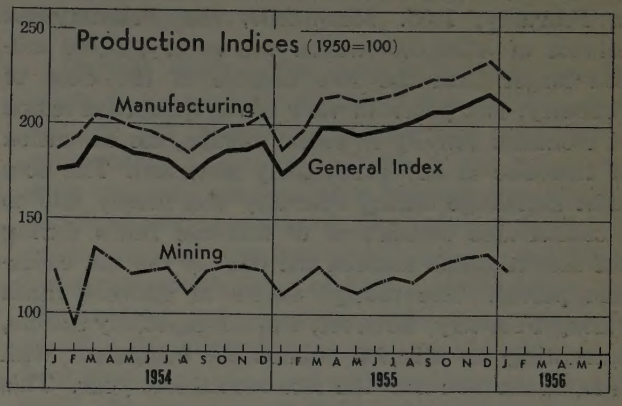
Prices:—Under the impetus of fair exports, rising domestic demand and dwindling inventories, prices have naturally stiffened. According to the weekly Wholesale Price Survey of the Economic Planning Board, the wholesale price index rose by 6.0% during the first two months of this year with the February-end mark exceeding the like index in June last year by 10.3%. The seasonal hike of foodstuffs (particularly perishables) was the predominant spur to the price advance during the January-February period. For instance, the average price index of foodstuffs as of the end of February was 11.4% higher than the level at the close of last year and 15.5% higher than the mark in June, 1955. Also sharp was the gain of metals which, as of the end of February, eclipsed December by 9.4% and June by 26.0%. With the advent of the delivery season, the prices of foodstuffs are expected to soften while the price march of metals is likely to mark time. Hence, prices will begin to stabilize. The prices of foodstuffs already began to soften from early March. On the other hand, machinery still continues steady due to increasing demand and rising prices of raw materials and building materials are tending upwards as housing-starts to increase in the spring season. Chemicals and textiles are expected to remain equally strong.

4. WHOLESALE PRICE INDICES

(June, 1950=100)

	Feb., 1955	June 1955	Oct., 1955	Dec., 1955	March, 1956
Total Average	153.0	146.9	155.0	153.5	159.7
Foodstuffs	154.3	137.4	153.6	143.9	151.2
Textiles	90.8	88.8	88.3	89.0	91.3
Fuels	160.2	157.5	158.7	160.4	161.4
Metals	216.6	211.4	240.6	244.6	269.0
Machinery	179.8	180.6	177.2	175.2	181.9
Building Materials	215.4	206.0	208.3	206.7	208.1
Chemicals	101.9	101.4	102.1	104.0	105.8
Sundries	134.8	135.9	139.9	140.0	137.1
Consumer Goods	145.3	132.8	144.8	138.8	143.9
Producer Goods	157.2	154 6	160.4	161.5	168.3
Total Average minus Foodstuffs	152.6	149.9	155.3	156.5	162.3

Note: As of mid-month.
Source: Economic Planning Board.



Living Cost:—Reflective of the strong tone of wholesale prices, the consumer price index in February stood 1.0% higher than the January mark. The February climb was primarily due to the advance of non-staple foodstuffs, especially perishables.

The overall living cost in February, however, stood 0.3% below the corresponding figure a year ago, as the sizable drop of the expenses for staple food and clothing counterbalanced the advance of non-staple food, housing and sundry spending. The increase of the housing expense was particularly sharp at 9.1% as compared with a year ago because of the hike of rents, water charges and repairing costs while the latest raise of the trolley fare accounted for the increment of the miscellaneous expense. Meanwhile, the National Railways is likely to boost fares in the near future and private railways are certain to follow suit. School fees also threaten to hike. Thus, the miscellaneous expense is bound to soar further side by side with the housing expense. Hence, the living cost as a whole will be compelled to rise unless the food and clothing expenses make a particularly sharp dip.

5. TOKYO CONSUMER PRICE INDICES

(1951=100)

	Jan., 1956	Feb., 1956	Against Jan., 1956	Against Feb., 1955
Total Average	115.6	116.7	101.0	99.7
Foodstuffs	110.6	111.9	101.2	98.1
Staple	121.2	120.7	99.6	97.6
Non-staple	105.0	107.3	102.2	98.4
Clothing	81.5	81.3	99.8	98.5
Light-Fuel	139.4	139.4	100.0	99.1
Housing	136.8	137.7	100.7	109.1
Miscellaneous	139.0	140.5	101.1	102.0

Source: Bureau of Statistics, Prime Minister's Office.

Money and Banking

Still Slack :—Money continued slack into February with the money rates tending further downward and monetary institutions busier in a race to find good borrowers. As shown in the accompanying table, the note issue as of the end of February stood at ¥568,600 million, registering a slip of ¥14,200 million from the January-end balance of ¥582,800 million. This decline was almost equal to the corresponding drop of ¥14,500 million registered in February, 1955. Meanwhile, the February-end balance of ¥568,600 million was some ¥21,600 million larger than the like balance at the close of February, last year. In view of the quickened tempo of economic activity in recent months, the expansion of this size is not particularly abnormal. The note issue shrinkage during February was mostly due to a comfortable withdrawal of financial funds during the month which marked the peak of the tax collection period. The receipt excess of financial funds during February, however, was not especially sizable, amounting to ¥20,000 million as compared with ¥40,800 million for the like month last year. This was attributable to a bulky payment excess in the Foreign Exchange Account because of the favorable balance of international accounts and a sharp decrease in the receipt excess in the Food Control Account. Against the February withdrawal excess of financial funds at ¥20,000 million, the note issue shrinkage during the month amounted to ¥14,200 million, meaning that the remaining ¥6,000 million was released to private quarters as the Bank of Japan's credit, although it did not take the form of an increase of Bank of Japan loans. Instead, it took the shape of the sales of short-term government notes in the possession of city banks to the Bank of Japan. Thus, the balance of Bank of Japan loans recorded a drop of ¥7,200 million during February to the month-end total of ¥21,000 million, a marked decline from the February end balance of ¥262,100 million a year ago, indicative of a noteworthy change in the monetary keynote during the past one year. With the balance of short-term government notes still in the hands of city money organs amounting to a large total of ¥33,900 million and the latest trend of the accounts of all banks (marked by a notable gain of deposits and comparative dullness of loans) remaining unchanged, money is bound to continue slack for some time to come.

In the accounts of all banks during February, deposits increased by ¥33,700 million (¥21,000 million in real deposits—exclusive of checks, bills and government or foreign currency deposits) while loans gained only by ¥21,400 million. Resultantly, idle funds at the disposal of monetary institutions continued to hike.

Money Rates Dip :—Under the impact of easy money, the call money in February continued weak with the exception of a short period at the start and end of the month, with the call rates standing soft at 1.3–1.5 sen (unconditional) and 1.65 sen (over-month). The outstanding balance, however, somewhat increased with the ¥87,000 million peak reached during the month. This did not necessarily represent a general increase in demand for funds as it was a sporadic trend due chiefly to the temporary release of funds obtained by city banks through the sales of short-term government notes to the Bank of Japan. A noteworthy trend in February was the advance of the two bond issuing banks to the call market. During the month, the Industrial Bank of Japan and the Long-Term Credit Bank released an estimated total of ¥15,000 million to the call mart apparently to cope with the increasing difficulty to find dependable borrowers of idle funds which they have raised by floating banking bonds. The two banks, which specialize in granting long-term loans have begun to suffer from the rising costs of raising fresh funds, as money rates have been on a steady decline. In connection with this situation, the problem of lowering interest yields (for issuers) of banking bonds has come into the limelight. In parallel, the revision of intetest yields of industrial bonds, corporate debentures and provincial debentures is bound to be seriously discussed.

The Government has taken a step towards the reform of the monetary system when it decided upon the creation of the Monetary System Investigation Council at a Cabinet meeting on January 31. This new council will serve as a consultative organ for the projected reform for the Government in the projected reform of the postwar monetary system. Outstanding among the problems to be tackled by the new Organ are: 1) Establishment of a payment reserve system; 2) Reorganization or abolition of the Bank of Japan Policy Board; 3) Reexamination of the Emergency Money Rates Adjustment Law; and 4) Readjustment of the business divisions of monetary institutions.

MONEY IN FEBRUARY
(In million yen)

	1956	1955
Note Issue (End of January)	5,828	5,614
Note Issue (End of February)	5,686	5,469
Decrease	142	145
Financial Fund Movement (A)	* 292	* 408
Bank of Japan Credit (B)	(+) 60	(−) 263
Loans	(−) 72	(+) 253
January-end Balance of Loans	210	2,621
Govt. Bond Purchases	128	—
Others	8	10
(A) (B)	142	145
All Banks Deposit Increase	337	234
(Real Deposits)	(210)	(−) 95
All Banks Loan Increase	214	154

* Withdrawal excesses.
Source: Compiled by *The Oriental Economist*.

Stock Market

New High:—The stock market, comparatively sluggish from late January to mid-February, rallied in early March with share prices actively up. The Dow-Jones average of 225 industrials, which slipped from the January high (19th) of ¥431.60 to the February low (15th) of ¥422.50, recovered to ¥441.78 on March 1 and climbed to a new high of ¥444.70 on March 10. This was the first time since October, 1953 that the ¥444.00 mark was topped. Parrallel with the price rally, the volume of daily turnovers swelled with the transactions at the Tokyo Securities Exchange registering an all-time peak of 28,826,000 shares on February 29. The daily average during the first 15 days (1st to 15th) of March also soared to a new high of 17,439,000 shares.

New Spurs:—The market lethargy which prevailed from late January to mid-February was not attributable to any particular deterrents, but was due chiefly to evening-up operations which came in reaction to marked animation since the second half of 1955. Thus, the share price slips were comparatively restricted, and hence the recovery was smooth and swift. Primarily responsible for the latest rally were two outstanding stimulants—the continuation of easy money and the announcement of a new revision plan for bond flotation terms by the Ministry of Finance. The latter, envisaging a further dip of money rates, particularly invigorated the market sentiment. The proposed revision, the third since last October, requires the surface interest rate of 8.0% per annum now in operation to be lowered to 7.5% and the issue price to be raised to ¥99.50. The revision, therefore, places the interest yield for subscribers at 7.69% per annum (8.225% at present) and that for issuers at 8.835% (9.49% at present). This marked cut of interest yields of bonds, if enforced, will inevitably justify a further slip of interest yields of stocks or, in other words, a new hike of share prices. Another spur to the stock market was the approach of the half-year settlement terms of corporations (at the close of March) with more of them expected to report fair profits. The passage of the fiscal 1956 budget bill by the House of Representatives, promising the start of the new fiscal year with a full-fledged budget for the first time in these few years, was the fourth bracer to the market tone. The strong tone of the New York stock market following the announcement by Eisenhower of his intention to run for reelection also gave an additional spur to the mart while the increasing possibility of an early end of the Sohyo-sponsored spring labour offensive proved a negative support.

Overall Rally:—The price rally from late February was overall for almost all the groups comprising the 225 pivotals with the lone exception of amusements. As noted in Table 2, the latest share price recovery was somewhat different from the price march during the second half of last year. The price rally last year depended mostly on the hike of heavy industrials (such as mining, shipbuilding, iron-steel-metals) and shipping while light industrials forming the remaining groups stayed rather in the background. In the latest price resurge, on the other hand, the recovery of light industrials such as textiles and fisheries, and particularly chemicals, was especially noteworthy although heavy industrials continued to share in the pickup. Foodstuffs and commerce also made fair showing. The predominance of heavy industrials in the past rally was mostly due to the overseas business boom which aided the profits of the companies concerned, while light industrials depending on domestic stimulants remained rather quiet. In the latest market recovery, light industrials began to surge particularly ahead, indicating that the overseas boom has become steadily permeated in Japan as a spur to domestic business. Marked improvement of the financial standing of firms specializing in light industries due to the progress of rationalization was a new attraction to investors. Another feature of the latest rally was the rise of selective buying directed towards the shares of smaller firms in preference to those of major companies.

1. SHARE PRICES AND TURNOVERS

Year & Month	Share Prices (In yen)			Average Daily Turnovers (In 1,000 shares)
	High	Low	Average	
1955: June	351.20	348.05	354.47	5,467
July	357.50	351.25	355.56	5,585
August	387.12	365.67	377.48	9,693
September	388.42	388.13	386.15	8,831
October	410.29	385.57	401.47	12,080
November	410.36	393.28	401.53	12,115
December	425.69	398.11	409.81	15,992
1956: January	431.60	420.14	426.46	14,886
February	430.64	422.50	429.71	15,485
March (1–15)	444.70	440.17	442.51	17,439

Source: *The Oriental Economist.*

2. SHARE PRICE MOVEMENT BY GROUP

(In Yen)

Groups	Feb. 15	March 10	Gains or (↔) loss	%
Averages of 225 Pivotals	422.50	444.70	22.20	5.25
Banking, Insurance	584.13	598.39	17.26	2.95
Rly., Transportation	282.90	293.16	10.26	3.62
Shipping	218.33	221.33	3.00	1.37
Gas, Electricity	185.95	191.04	5.09	2.73
Mining	345.83	372.28	26.45	7.64
Shipbuilding, Machinery	189.07	202.36	13.29	7.02
Iron-Steel, Metals	92.52	99.05	6.53	7.59
Textiles	521.50	556.16	34.66	6.64
Foodstuffs	925.78	966.57	40.79	4.40
Fisheries	160.93	170.20	9.27	5.76
Chemicals	347.73	378.41	30.68	8.82
Miscellaneous	458.61	475.28	16.67	3.63
Commerce	777.40	801.30	23.90	5.20
Amusements	369.86	364.35	(↔) 5.51	1.42

Source: *The Oriental Economist.*

New Soviet Policy

THE speeches made by Russian leaders at the Twentieth Party Congress in Moscow recently have resulted in big repercussions throughout the world. For the public pronouncements of the Soviet leaders indicate that the policy of the U.S.S.R. has undergone an epoch-making change.

Stalinism has long been stigmatized outside of the Soviet sphere as symbolic of dictatorial suppression and dark terrorism. And there can be no doubt that the succession of bloody purges, which took place under Stalin, struck terror and engendered repressed hate within the hearts not only of the general public but also of personnel high in the Soviet hierarchy. It is also logical to assume that this era of dictatorship and fear did much to set the course of Soviet policy since the death of Stalin, with gradual expression of critical thinking, with sentiment shifting toward correction of various policies, and finally with theoretical justification of the about-face hammered home at the recent Party Congress.

At the recent Party Congress there occurred unequivocal denouncement of idolatry; and the shift from Stalin's dictatorial methods to democratic government by means of collective leadership was repeatedly emphasized. Further, it was contended that war between socialist and capitalist nations could be avoided; that peaceful co-existence of communism side by side with capitalism could be achieved; and that revolution without violence through parliamentary devices could also be expected.

Consequently, the recent Party Congress gives rise to certain definite impressions. In the first place, the new policy has been formulated on a realistic basis. Second, the leaders of Soviet Russia now appear to entertain considerable self-assurance. Third, together with less distaste for self-criticism, the Moscow leaders now appear to be willing to accept anything that will add to Soviet strength.

During the war, a considerable number of Soviet citizens came to see the outside world for themselves, while foreign visitors invited to Russia since the war have also been fairly numerous. It may therefore be assumed that the influence of foreigners and of outside lands on Soviet thinking has been far from inconsequential. It is probably no longer possible to hoodwink the Russian people who have come to possess a more discerning eye; and it may be that reliance upon a reign of terror, backed up by the secret police, is no longer practicable. Then, in the international scene, it has often happened that violence instead of helping the communistic cause has rather generated strong and effective resistance. The "Molotov cocktail" tactics of the Japan Communist Party is a good example of such backfirings. Perhaps, the increase of Communist members in the French and Italian parliaments has also something to do with the theory of peaceful revolution.

Ever since the Soviet Revolution the position of the communistic regime, surrounded on all sides by capitalistic, "imperialist" nations, was such that only the strictest and most severely disciplined form of state could be adopted. But since World War II, the prestige of the Communist Party has been enormously strengthened, while economically the U.S.S.R. is well on the way to catching up with the capitalistic nations of the world. Furthermore, the U.S.S.R. now has beyond its own boundaries a large assemblage of allies and satellites, including mighty China, and is therefore well enough entrenched to face up to the West. It can well be believed that this consolidation of position alone would give rise to self-assurance on the part of the Soviet leaders. Because there is self-confidence, there is room for self-criticism; and it has become possible to introduce considerable flexibility into national policies.

Another notable change is the rebuke heaped upon the former attitude of belittling foreign technical and scientific developments. The new policy is to learn everything possible from foreign nations. Heretofore, the official U.S.S.R. attitude had been to ignore capitalistic production and technology. The public and official reversal of this policy of isolationism should contribute much toward promotion of East-West interflow of culture.

If, as has been avowed at the Party Congress, Party Secretary Khrushchev and his associates push onward toward democratization through collective leadership and proper attention to public opinion, without reverting to the dictatorial practices of Stalinism, it may be possible to see the deepening of East-West relations, for which we have entertained expectations.

At the Big Four Geneva Conference of last autumn, the Western powers indicated a plan for East-West interflow of culture and information, involving 17 points. The U.S.S.R. at that time accepted only 5 of these points in part or in principle, and rejected the other 12. Accepted were such matters as exchange of books, newspapers, and periodicals, and freedom of their sale, exchange of government publications; exchange of motion pictures; and free entry of tourists. Since these are desired by the Soviet people, particularly the intelligentsia, and if the exchange of informative material is carried out on a growing basis, there will doubtless be a waning of the suspicions and doubts that now exist between the East and the West. We earnestly hope that the matter of cultural intercourse will be positively promoted by concentration of the effort of those concerned.

Cartelization Progressing

BECAUSE formation of cartels, mergers, and other arrangements for joint action has in recent years been increasingly discussed among business circles, the relationship of such action to the Anti-Monopoly Law has become quite a key issue.

Cartels and the Anti-Monopoly Law

The Anti-Monopoly Law, or to give its full name, the Law for Prohibition of Private Monopoly and the Maintenance of Fair Trade, was promulgated in July 1947 and enforced from that time. The purpose of this law is stated as: "Promotion of fair and free competition, of inventiveness and initiative of business operators, of business activities, and of high levels of employment and national income in order to safeguard the interests of the general consumer and to promote the sound and democratic growth of the national economy through prohibition of private monopoly, unfair systems of business transaction, and unfair methods of competition, through prevention of excessive concentration of control over enterprises and through elimination of all unjustifiable restraints on transactions, including unreasonable restriction of production, sales, pricing, technology, and other aspects through such methods as merger, agreement, &c." The Anti-Monopoly Law also defines "unjustifiable restraints on transactions" as: "actual restriction of competition in a specific field of business, counter to the public interest, through mutual restraints on business and actions by one business operator in conjunction with another, regardless of whatever form such agreement or contract may take." In other words, the Anti-Monopoly Law as legislation has for its purpose the prevention of excessive concentration of economic power within the Japanese economy after the leveling carried out by the postwar measures for dissolution of the "zaibatsu" cliques, and for fragmentation of the bigger business organizations.

However, it has never been exactly indicated what is meant by "excessive concentration," "unjustifiable restraints," or "unfair competition." So from the opposition standpoint, whatever action is taken appears neither "excessive," "unjustifiable," nor "unfair," but absolutely necessary for continued existence in business. Rehabilitation of the Japanese economy continues to show progress despite the buffetings received from the cycles of boom and slump; but in the process there have occurred such phenomena as the regrouping of the trading firms, the massing into industrial and business complexes of the former "zaibatsu" concerns, the various arrangements among groups of businesses, and the formation of cartels by specific classifications of business. And in the face of such moves toward concerted action the Anti-Monopoly Law has tended in one way or another, to be considered a nuisance.

In 1953 the Anti-Monopoly Law was amended in part to permit the formation of "depression cartels" and "rationalization cartels." To date, the cartels receiving official sanction to engage in this type of concerted action are: the scrap copper and iron purchasing cartels, the cartel for rationalization of mixed cotton yarn spinning, the bearings production cartel, and some others. In addition to the above there have been such actions as the curtailing of cotton spinning operations in line with an official recommendation issued by the Ministry of International Trade and Industry, special legislation covering such public services as the local private railroads and the securities markets, or the Small Business Stabilization Law for protection of small and medium enterprises (cotton and rayon staple fabrics adjustment associations, sewing machine export regulation association, &c.); while with more basic industries there has been legislation enacted in connection with maritime shipping rates, export of ammonium sulphate, coal mining, and export-import transactions. Now being reported as under consideration by the National Diet are such bills as the textiles facilities adjustment bill, the machinery industry promotion bill, amendment in part of the Central Wholesale Market Law, the small vessels marine transportation association bill, amendment of the Warehousing Law, and for the wholesale business the commercial operators association bill.

The Scrap Iron Cartel

The Scrap Iron Purchasing Cartel was formed in April 1950 because from the start of that year there was a sharp rise in iron and steel prices which affected in no small way the cost of producing iron and steel. When applying for government approval of this cartel the eighteen iron and steel companies involved made the following statement under the heading "The Reasons for the Need of Special Concerted Action for the Purpose of Undertaking Rationalization of Operations, and the Expected Results of such Action:

" . . . The iron and steel industry is a basic industry from the standpoint of the national economy, and while the ups and downs of iron and steel prices greatly affect the export of iron and steel, and steel products, the present prices of iron and steel are such that it would be extremely difficult to remain in international competition for any length of time. As one method of breaking through this situation is suggested stabilization and lowering of iron and steel prices, together with an attempt at rationalization of operations. To this end it will

be necessary to lower the prices of the principal raw materials, namely pig iron (costly because of the high cost of coal) and scrap iron and steel, which are quoted at considerably higher levels than elsewhere in the world . . . The reduction and stabilization of the prices of iron and steel can only be carried out through reduction of the cost of raw materials, particularly coal, and scrap iron and steel. But since it would not be practical to expect a major reduction in the cost of coal, the bulk of which comes from domestic sources, the only effective method will be to attempt a price reduction in scrap iron and steel, where no original cost components are involved and prices merely fluctuate wildly in relation to supply and demand . . . " To this was added an explanation pointing out that the interests of the customers, the general consumers, and related industries would not be damaged in any way.

This cartel was formed by eighteen iron and steel manufacturers, who formed a committee on supply and demand of scrap iron and steel, and set prices and purchase quantities for the member corporations. This action was effective in bringing down the price of scrap. For instance, with special grade scrap, which at the time of cartel formation, sold at ¥19,000 to as high as ¥20,000 per ton, the price was brought down by May 1955 to ¥18,500, to ¥18,000 in June, to ¥17,000 in July, and to ¥16,500 in August, at the rate of about ¥500 per month. But when in September and October there occurred a shortage of scrap due to increase in export shipments of steel and boosting of production, there was a sharp rise in the price of scrap and the cartel disintegrated. To remedy the situation the Ministry of International Trade and Industry stopped validation of steel export contracts (October 15, 1955) because the contracts signed by Japanese steelmakers during the first half of 1955 involved such volume that further acceptance of orders would have resulted in production boosts without adequate supply of raw materials, and this might have led to speculation as well as the drawback, when considering long-range promotion of export production, of having to work with high-cost raw materials.

Bearings Production Cartel

This cartel was formed for the express purpose of enabling five bearings manufacturers, Nippon Seiko, Toyo Bearing, Koyo Seiko, Fujikoshi Kozai, and Asahi Seiko, to undertake rationalization of their respective operations; and official sanction was granted in November 1955 to restrict the number of types of bearings to be produced. This inter-company agreement is scheduled to end in November 1957. Although there are now some 27 finished bearings manufacturers in Japan, the above-named 5 produce approximately 92.7 percent of the total volume.

What then is the purpose of cartels? In the case of bearings, which are produced for a wide variety of purposes and equipment, the types and sizes that must be made tend to become extremely numerous. The above-named five companies have long been known as makers of all types of bearings, and because they are required to meet the requirements of each and every customer, they tend toward overdiversification with total volume spread out too thinly. For this reason they decided to form a cartel, mutually agreeing to limit production of certain items with small markets to specific companies, thus to undertake rational regulation of the variety they would have to produce, which would lead to concentration of production, reduction of cost, and improvement of quality.

As for the effects of this cartel, on the consumer, the "outsiders," the distributors, the subcontractors, and the materials and parts suppliers, the Fair Trade Commission has ruled that there is no unjustifiable damaging of interests. Furthermore, the commission holds that neither is the general consumer hurt nor can the evils of monopolization arise since the items in regard to which production is limited and competition is eliminated constitute but a minor portion of the bearings in demand, and because these special varieties affect appreciably the cost of the main body of "standard" items.

Cotton Mill Production Curtailment

In addition to the above cases of cartelization approved on the bases of the Anti-Monopoly Law, virtual cartel formation through a different procedure —Ministry of International Trade and Industry advice—has also occurred. Representative of such arrangements is the production cutback undertaken in concert by the cotton mills.

Twice has it been since the war that the cotton mill operators resorted to agreed-upon choking off of production. The first covered a period of fifteen months, from March 1952 through May 1953. The second began in May 1955, and is still being continued. In both cases the immediate cause was overproduction of cotton goods and the crumbling of cotton goods prices. True to the saying that "the history of cotton mill operation is a history of production curtailment agreements," Japan's cotton operators developed their businesses before the war through a series of output regulation arrangements. But because, after the war, the Anti-Monopoly Law stood in their way, the 130-odd mill operators could not form cartels to undertake regulation of production on their own initiative. It is because of the legal barrier that they have been forced into seeking Ministry of International Trade and Industry intervention to restrict production in order to bring about betterment of market conditions.

Needless to say, the Fair Trade Commission eyes such concerted curtailment of production with disfavour; and because the Ministry of International Trade and Industry also is mindful of public opinion in connection with the interests of the general con-

sumer it has taken pains to keep the production cutback periods as short as possible, extending them only when absolutely necessary. During the first period, from March 1952 through May 1953, MITI kept close watch on the movements of the cotton goods market, and changed the curtailment rate every two or five months. With the concerted cutback that has been in effect since May 1955, extensions have been granted every two or three months; and although at present a cutback rate of 12 percent is in force until March 31, either reduction of this rate or termination of the arrangement is being considered in view of the decrease in inventories (whereas in May 1955 there existed cotton goods stockpiles equivalent to 500,000 bales of yarn, inventories as of February 29 were down to 350,000 bales) and improvement of market conditions.

In order to carry out the concerted production curtailment on a strictly fair basis, the method being employed is a combination of enforced holidays and sealing off of productive equipment. Each local Trade and Industry Bureau possesses a production curtailment committee which includes members from cotton mill management; and in addition allocations of raw cotton are made on the basis of operable capacity and export production. Operators who violate the production cutback arrangement are penalized by reduction or cancellation of raw cotton quotas.

Cartelization by means of Special Legislation

In addition to the forming of cartels in the ways described above, there have in recent years been moves toward cartelization in certain key industries through special legislation. This tendency is seen as an attempt to emasculate the Anti-Monopoly Law.

The following are some of the legislative actions in this direction that have been taken to date:

1) In maritime shipping, exemption of shipowners and operators from the stipulations of the Anti-Monopoly Law in connection with agreements on freight rates in view of the international cartels and conferences formed by the world shipping concerns.

2) Exemption of ammonium sulphate manufacturers in connection with export sales by means of the Ammonium Sulphate Supply-Demand Adjustment Emergency Measures Law.

3) Exclusion of agreements on restriction of coal production by means of the Coal Mining Rationalization Emergency Measures Law.

4) Export-Import Transactions Law (exclusion of acts of cartelization by business operators in connection with import or export).

Of these, 3) and 4) are considered rather important, so below will be given some of the details.

Coal Mining Rationalization Emergency Measures Law. This law was promulgated in August 1955. Prior to this time, the bigger operators had entered into an informal agreement to reduce, starting June 1954, the annual production of coal to 43 million tons from the previous 45 million-ton level. This was revised so that from December 1954 the 41 million-ton level would be the goal. The situation being such, the National Diet was moved to enacting legislation which reads in part: " . . . When, because of extreme imbalance of the supply-demand situation in coal, the selling price of coal tends to fall appreciably below the standard coal price as established by the Coal Mining Deliberation Council, and there is the danger of the bulk of coal operators being forced into difficulties which may prevent them from continuing in business, the Minister of International Trade and Industry shall be empowered to direct the coal operators to take concerted action for restriction of production and regulation of the selling price of coal . . . "

But because conditions today are incomparably better than when the law was enacted, MITI and the Coal Mining Deliberation Council have not gone further than to study the establishment of standard coal prices.

Export-Import Transactions Law. Cartelization under the provisions of this law has been seen in such industrial classifications as cement and glycerine. The Cement Export Cooperation Association 1) fixes each quarter year the minimum export quota for each producer, on the basis of operable capacity, and export is undertaken in the manner decided by the cartel committee; 2) has set for the present the standard export price of cement at $17.50 per metric ton; 3) holds a fund into which are pooled all amounts in excess of the standard export price for future payments, proportionate to capacity, as adjustment in the event export sales must be undertaken at below standard; and by co-ordinating enquiries from abroad acts as the export sales representative of the cement producers. In short, the Export-Import Transactions Law permits the formation of cooperative bodies for promotion of export sales, and condones production adjustments and grouping of small industrial operators.

In addition there are now before the National Diet the bills described below.

Textiles Facilities Regulation Bill. This legislation aims for restriction of the facilities for production of cotton goods, rayon staple, flax and hemp, silk, and other fibrous products, for reduction of surplus capacity, for government advice in regard to price reductions, and for undertaking of concerted production curtailments. However the Fair Trade Commission is opposed to facilitating agreement among operators for limitation of output, so the portion providing for government advice in regard to concerted production cutbacks has been deleted.

Machinery Industry Promotion Bill. The purpose of this proposed law is to exempt from the stipulations of the Anti-Monopoly Law eighteen different types of machinery manufacturers when, because it is necessary for the growth of the machinery industry, they seek government approval of mutual agreements

for the formation of, for example, procurement cartels, production items restriction cartels, technological cartels, raw materials purchase cartels, &c. The Fair Trade Commission is indicating opposition on the ground that the scope of exemption for concerted action is too wide.

Bill for Amendment in part of the Warehousing Law. The amendment calls for exemption of warehouse operators when entering into agreements in regard to restriction of space sales and facilities. The Fair Trade Commission appears to be strongly against this proposed legislation.

Bill for Amendment in part of the Central Wholesale Market Law. The central market consignees (auctioneers) of fresh vegetables and seafoods will undertake mergers by application to the Minister of Agriculture and Forestry. This is proposed because at present there are too many consignees, and competition is resulting in excessively low commissions on sales. The Fair Trade Commission however is on guard against restraints on fair competition that might occur as a result of giving the Ministry of Agriculture and Forestry the power to approve mergers.

Because of this general tide running in the direction of relaxation of the restrictions on joint action, the wholesale business recently has begun agitating for the enactment of a commerce association law. Both MITI and the Tokyo Chamber of Commerce and Industry have been studying how best to stabilize the wholesale business; but the wholesalers themselves contend that there must be legislation to support an organization of their own, and that in order to rationalize their business legal sanction must be provided for joint actions. They have therefore formed a Federation for Expediting Enactment of the Commerce Association Law, and have stepped up their lobbying activities.

The law as envisaged by the wholesale merchants would create cooperative associations of wholesalers, for 1) such joint activities as buying, warehousing, and shipping; 2) agreements among members on rationalization of operations; 3) extension of working capital loans to members; and 4) collective contracts calculated to improve the economic status of the members. Furthermore, in regard to non-members, the proposed law will empower the government to order non-members to observe the agreements established by the cooperative associations. Behind this movement of the wholesale merchants lies the thinking that 1) there is currently no legal protection for their functions; 2) whereas the producers are permitted to act in concert under such arrangements as "depression cartels" or "rationalization cartels," the wholesale distributors have no corresponding means of counteraction; and 3) because under intensely competitive conditions the wholesale merchants are resorting to various forms of unfair business practices, the absence of adequate legal provisions prevents prompt and statisfactory solution of this problem.

Business Upturn

ACCORDING to the *Oriental Economist* survey covering 239 leading Japanese business corporations, the effect of the disinflationary retrenchment policy was clearly manifested by declines in sales and profit reported during the first half of 1954-55 (May through October). In the ensuing six months business results indicated some increase in sales, reflecting general easing of the recessionary trend; but profits continued to sag because of increases in cost and non-operating expenses.

1. GROSS INCOME Vs. GROSS OUTGO
(Of all businesses, in percentages)

	Second Half 1954-55	First Half 1955-56
Gross Income	100	100
Gross Outgo	96.7	96.7
Cost of Items Sold	83.7	83.6
Cost of Administration and Sales	7.9	7.7
Non-Operating Expenses	5.1	5.4
Net Profit	3.3	3.3

Note: Real Estate excluded due to lack of analysed data
Source: *The Oriental Economist for all tables.*

However, the reports issued during the first half of 1955-56 (May through October) revealed signs of definite recovery, with both profit and the profit rate up. This was due to good production stimulated by the "quantitative" boom, and to some other factors. Nevertheless, heavier requirements for working capital resulted in increased borrowing, which weakened slightly the overall financial status of business; and shortage of corporate capital remained notable.

Operating profit reported during the first half of 1955-56 by the corporations surveyed aggregated ¥68.4 billion, indicating a gain of 11.2 percent (¥6.9 billion) over the amount stated during the preceding half-year. This gain was due mainly to the 10 percent (¥182.2 billion) increase in sales; and although this was offset somewhat by the 4.3 percent (¥2 billion) decline in non-operating profit, total income at ¥180.1 billion was 9.7 percent higher than that reported during the six months ended with April 1955.

On the expenditure side, there was a 9.3 percent (¥159.3 billion) growth in sales and business expenses, on top of which there was an increase of ¥13.9 billion in non-operating outlays, bringing the aggregate growth in outgo to ¥173.2 billion. This nevertheless was smaller than the gain in earnings, so the above-mentioned increase in profit was achieved.

The above changes in expenditures, seen in relation to gross income, are as given in Table 1 below.

2. DISPOSITION OF CORPORATE PROFIT
(All Businesses, in ¥ billion)

	2nd Half	1954-55	1st Half	1955-56
To Reserve	13.2	20.3%	16.1	22.2%
Dividend	24.7	38.0	27.0	37.3
Officers' Pay	0.8	1.2	0.8	1.1
Taxes	26.3	40.5	28.5	39.4

Although non-operating expenses have proportionately gone up 0.3 percent, there has been a 0.1 percent decline in cost, while administrative and sales expenses have come down 0.2 percent. Consequently, there has been no change percentagewise in net profit realized, and gain in sales volume means added profit.

This relationship is also clarified by the shifts in the factors governing the earnings rate: the cost-to-sales ratio which in the second half of 1954-55 increased by 1.3 percent, to result in a reduction of the profit as against sales, decreased by 0.3 percent in the first half of 1955-56. In consequence the profit rate of sales went up to 3.6 percent as against the 3.4 percent indicated by the reports made during the second half of 1954-55. Capital turnover also reflected increase in sales to rise from 1.0 to 1.1. Therefore the profit rate, as against capital, which is derived from the profit rate of sales and capital turnover, rose to 3.8 percent from the 3.5 percent of the preceding half-year.

3. USE AND SOURCE OF BUSINESS FUNDS, ALL CORPORATIONS SURVEYED
(In ¥ billion)

(Use of Funds)	2nd Half 1954-55	1st Half 1955-56
Fixed Assets Gain	95.0	79.8
Tangible Assets	79.3	61.3
Intangible Assets	2.0	0.9
Investments	13.7	17.6
Liquid Assets Gain	90.4	132.8
Current Assets	76.0	93.6
Inventory	—	—
Other	14.4	39.2
Deferred Accounts Gain	1.0	2.1
Capital Reserves Reduction	—	13.0
Total	186.4	227.7
(Source of Funds)		
Capital Gain	55.9	59.0
Equity Capital	51.2	34.4
Corporate Reserves	3.9	—
Surplus Profit	0.8	24.6
Borrowings Gain	94.2	141.2
Current Liabilities	25.2	79.9
Debenture Issues	6.2	14.9
Long-Term Borrowings	62.8	46.4
Inventoried Assets Reduction	36.3	27.5

Note: Gain in Assets Revaluation Reserve excluded

When the shifts in profit are seen by business classification the biggest gain is indicated by utilities (25 percent). Other businesses that achieved increases were: manufacturing (16.7 percent up), mining (12.3 percent), real estate (11.7 percent), and marine products (9.8 percent). Those suffering declines were: services (down 13.5 percent), building and construction (down 5.2 percent), and merchandising (down 4.3 percent).

Notable among the categories favored with increased earnings is maritime shipping, long harassed by deficits, but now in the black by at least ¥1.3 billion. The fats and oils industry, deficitridden until the preceding half-year, reported in the first half of 1955-56 a profit of ¥0.3 billion. Consequently, the only businesses still in the red were hard and bast fibers, and coal, these categories indicating increases in deficits over the preceding term of ¥1.6 billion and ¥0.2 billion respectively.

Among the classifications suffering decline in profit was merchandising, and the main cause was decrease in department store earnings, which fell

4. BUSINESS

	Sales Amount per Worker		Net Profit per Worker		Average Paid Capital Profit Ratio (1)		All Capital Profit Ratio		Sales Amount Profit Ratio (2)		Turnover Ratio (3)		Dividend Ratio (4)	
	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half. 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955
	¥1,000	¥1,000	¥1,000	%	%	%	%	%	%	%	times	times	%	%
All Industry	1,272	1,396	44	50	36.4	37.4	3.5	3.8	3.4	3.6	1.0	1.1	14.4	14.1
Fisheries	1,598	1,879	106	114	44.4	33.1	6.5	6.5	6.6	6.1	1.0	1.1	14.5	14.7
Mining	688	689	26	30	44.7	43.7	4.4	4.9	3.8	4.4	1.2	1.1	14.3	14.4
Metal-Non-Metal	688	686	27	32	37.6	42.1	3.9	4.6	3.9	4.7	1.0	1.0	14.4	14.9
Coal	349	350	(-) 3	(-) 5	(-) 14.6	(-) 23.5	(-) 0.8	(-) 1.3	(-) 0.9	(-) 1.4	0.9	0.9	1.1	—
Petroleum	4,066	3,927	320	352	85.9	73.6	14.1	15.2	7.9	9.0	1.8	1.7	21.7	20.0
Construction	3,159	3,118	61	58	125.8	119.3	3.0	2.8	1.9	1.9	1.5	1.5	20.0	18.4
Manufacturing	1,032	1,086	48	56	41.6	44.5	4.6	5.2	4.6	5.1	1.0	1.0	16.3	15.9
Foodstuff	4,570	4,378	203	179	90.7	79.5	11.0	9.7	4.4	4.1	2.5	2.4	23.6	21.8
Flour	8,246	9,289	153	165	64.3	68.0	6.6	7.3	1.7	1.8	3.8	4.1	20.0	20.0
Sugar	9,501	10,430	541	426	117.9	83.9	15.4	11.4	5.7	4.1	2.7	2.8	31.6	15.2
Confectionery-Milk	1,868	1,677	71	51	76.0	56.9	8.4	6.7	3.8	3.1	2.2	2.2	19.7	16.1
Brewing	4,937	4,856	179	200	68.6	74.8	8.7	8.5	3.6	4.1	2.4	2.1	20.6	20.6
Oils	7,752	8,119	579	592	135.1	90.4	13.7	15.8	7.5	7.3	1.8	2.1	23.7	22.3
Spinning-Weaving	823	813	32	33	38.1	37.1	4.1	4.2	3.9	4.1	1.0	1.0	20.3	19.1
Cotton-Spinning	944	904	23	30	28.2	35.6	2.7	3.6	2.4	3.3	1.1	1.1	20.5	19.1
Synthetic fibres	712	759	59	67	63.0	70.5	8.3	9.1	8.3	8.8	1.0	1.0	20.4	20.4
Wool-spinning	763	761	53	62	61.0	70.4	6.3	7.8	6.9	8.2	0.9	1.0	22.6	22.7
Bast-hard-fibres-spinning	378	364	(-) 41	(-) 149	(-) 57.5	(-)155.3	(-) 6.8	(-) 24.1	(-) 10.9	(-) 41.0	0.6	0.6	13.2	4.3
Pulp & Paper	1,565	1,651	92	135	40.4	56.6	5.4	7.7	5.9	8.2	0.9	0.9	16.0	17.6
Printing	509	557	26	28	85.6	68.7	7.6	7.9	5.1	5.1	1.5	1.5	23.6	21.7
Chemicals	970	1,068	42	26	37.8	48.5	4.2	5.8	4.4	5.8	1.0	1.0	15.6	15.4
Fertilizers	866	967	54	58	53.4	45.0	5.4	5.5	6.2	6.0	0.9	0.9	17.2	16.2
Soda	1,209	1,319	81	91	50.7	58.7	7.6	8.4	6.7	6.9	1.1	1.2	16.8	16.7
Fats-oils-paints	1,265	1,335	(-) 142	44	(-)102.4	29.8	(-) 13.2	3.9	(-) 11.2	3.3	1.2	1.2	9.5	10.0
Medical Supplies	1,135	1,246	77	87	52.5	58.1	6.9	7.2	6.8	7.0	1.0	1.0	14.3	14.7
Other chemicals	899	986	41	52	43.2	48.6	4.3	5.2	4.6	5.3	1.0	1.0	15.5	15.4
Rubber Goods	1,091	1,020	53	11	59.4	12.1	5.4	1.2	4.9	1.1	1.1	1.1	9.1	7.8
Glass & Ceramics	1,276	1,292	181	163	84.9	61.6	12.1	10.6	14.2	12.6	0.9	0.8	22.4	20.3
Glass	1,214	1,150	149	140	76.6	62.9	11.8	11.0	12.3	12.2	1.0	0.9	21.6	20.0
Cement	1,832	1,921	286	248	89.1	58.9	12.1	10.2	15.6	12.9	0.8	0.8	22.5	20.0
Ceramics	462	461	57	55	87.4	83.8	13.9	12.9	12.3	11.9	1.1	1.1	25.0	25.2
Primary Metals	1,011	1,179	22	42	20.1	33.8	1.6	3.0	2.2	3.6	0.7	0.8	9.6	10.3
Iron-steel	1,010	1,186	19	39	18.3	32.6	1.4	2.8	1.9	3.3	0.7	0.8	9.6	10.4
Non-ferrous Metals	1,030	999	99	120	44.0	48.8	6.2	7.5	9.6	12.0	0.7	0.6	9.3	9.2
Machinery	762	796	50	42	51.4	33.7	6.0	4.8	6.5	5.3	0.9	0.9	16.3	14.0
Electric Appliances	805	868	37	45	31.5	35.5	4.2	5.0	4.6	5.2	0.9	1.0	15.2	14.9
Generator-Transmitter	725	766	36	36	35.8	33.0	4.2	4.1	4.9	4.7	0.8	0.9	15.8	14.6
Wires-Cables	1,300	1,544	9	60	4.0	25.2	0.7	4.3	0.7	3.9	0.9	1.1	10.7	13.0
Communication Tools	751	773	59	65	62.0	59.2	9.0	9.3	7.9	8.4	1.1	1.1	20.6	18.7
Transportation Machines	736	777	38	47	35.1	40.9	4.2	4.6	5.2	6.1	0.8	0.8	12.7	13.5
Automobiles	1,283	1,410	97	105	59.9	63.9	6.6	6.3	7.6	7.4	0.9	0.8	17.5	17.5
Shipbuilding-repairing	524	558	19	31	17.2	25.7	2.4	3.5	3.6	5.6	0.7	0.6	9.3	11.2
Rollingstock	538	430	29	20	69.1	40.2	5.3	3.6	5.4	4.7	1.0	0.8	23.5	14.7
Motor-bicycle-Bicycle	1,409	1,466	77	81	139.3	146.7	7.1	6.7	5.4	5.5	1.3	1.2	29.5	25.3
Precision Machinery	663	693	67	65	88.3	86.6	11.8	10.9	10.1	9.4	1.2	1.2	19.9	19.9
Wholesale & Retail	13,292	14,656	63	55	44.3	33.7	1.8	1.4	0.4	0.4	3.9	3.8	15.8	15.3
Commerce & Trade	34,019	35,253	91	95	41.3	37.2	1.1	1.1	0.3	0.3	4.0	4.0	13.9	13.8
Department-store	2,253	1,972	47	21	47.9	28.1	6.8	4.2	2.1	1.5	3.2	2.9	18.0	17.6
Real Estate	1,265	1,344	412	450	69.8	66.9	6.7	7.1	32.6	33.5	0.2	0.2	17.5	15.0
Transportation, Communication, & Other Public Services	720	786	32	39	18.8	20.4	1.6	1.9	4.4	5.0	0.3	0.4	10.1	10.0
Electric Railway	354	363	27	27	29.4	29.9	4.1	4.0	7.7	7.5	0.5	0.5	11.8	12.3
Land Transportation	332	320	17	17	34.3	34.3	6.6	6.4	5.1	5.3	1.3	1.2	16.0	16.0
Sea Transportation	1,865	2,738	(-) 1	87	(-) 0.1	11.5	(-) 0.01	1.9	(-) 0.03	3.2	0.4	0.6	—	—
Warehouse	906	914	20	11	9.3	5.3	1.8	1.0	2.2	1.2	0.8	0.8	9.2	8.6
Electricity	869	876	38	44	19.8	17.7	1.2	1.3	4.4	5.1	0.3	0.3	12.0	12.0
Gas	1,316	1,621	88	96	33.4	31.9	4.9	4.9	6.7	5.9	0.7	0.8	15.0	15.0
Services	1,354	1,342	202	176	69.5	55.2	19.3	14.8	14.9	13.1	1.3	1.1	19.1	18.2
Movies	1,358	1,349	200	173	77.9	61.4	19.8	15.0	14.7	12.8	1.3	1.2	20.8	19.8
Amusement	1,297	1,234	234	217	27.3	24.9	13.7	13.0	18.0	17.6	0.8	0.7	10.3	10.3

Note: Calculating Methods (1) $\frac{\text{Net profit} \times 2}{\text{Item}}$ (2) $\frac{\text{Net Profit}}{\text{Sales Amount}}$ (3) $\frac{\text{Sales Amount}}{\text{All Capital Used}}$ (4) $\frac{\text{Dividend} \times 2}{\text{Average Paid Capital}}$

36.4 percent (down 27.6 percent as against the same period of 1954-55) because of the huge loss reported by *Shirokiya*. Commerce and trade continued on the upgrade and reported a gain of 27.1 percent. In the service trades, motion pictures profit fell 14.7 percent, so theaters and entertainment remained at about the same level as for the preceding half-year.

Looking next into profit rates, it is noted that 22 of the 47 business classifications given indicated gain in profit measured against capital. This was 8 more than the 14 reported during the second half of 1954-55. Apart from fats and oils, and paints and lacquers, and shipping, which reported comfortable profit, there were gains made in rate of profit by electric wire and cable (3.6 percent), paper and pulp, petroleum, shipbuilding, and others (all about 1 percent).

Marking time were: marine products, commerce and trade, and gas. All the remaining 22 categories indicated drop in profit rate; but this number is 9 less than the 31 of the preceding term, and there was not a single reversal into deficit (3 in the preceding six months). Profit rate decline of more than 1 percent was reported by 10 categories (18 in the

RESULTS

Interest Burden Ratio (5)		Asset-Capital Structure				Current Ratio (8)		Fixed Ratio (9)		Breakdown of Manufacturing Expense (All manufacturing expense as 100)						Number of Companies Surveyed
		Fixed Assets (6)		Owned Capital (7)						Material Expense		Labor Expense		Managerial Expense		
2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	2nd half, 1954	1st half, 1955	
%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	
3.4	3.5	55.4	54.8	41.6	40.8	118.1	118.9	133.1	134.4	62.7	67.6	18.1	15.4	19.2	17.0	239
4.9	3.8	61.9	55.0	37.9	34.9	121.0	116.1	155.4	157.4	37.2	53.3	17.1	15.4	45.6	31.4	2
3.6	3.6	50.8	50.7	36.9	36.8	115.1	115.6	133.7	137.6	47.3	49.5	32.2	32.0	20.5	18.5	17
4.3	4.0	50.4	50.3	44.5	44.2	135.6	136.2	113.3	113.8	57.4	60.4	24.1	22.4	18.5	17.2	7
4.9	5.5	57.3	57.0	25.1	24.2	95.0	95.8	128.2	235.8	19.6	19.8	56.1	58.2	24.3	22.0	5
1.6	1.6	40.8	41.4	43.0	44.3	118.2	117.9	94.9	93.4	72.6	77.2	9.3	7.3	18.1	15.5	5
1.0	1.1	15.7	16.2	9.5	9.7	94.0	94.6	164.4	167.2	38.8	43.0	28.0	27.4	33.1	29.6	3
3.9	4.0	41.7	41.7	41.6	41.9	130.2	123.1	100.3	99.7	70.4	75.7	14.9	12.1	14.6	12.2	158
1.3	1.5	36.5	38.0	38.1	34.8	111.2	111.5	96.0	99.0	86.0	86.1	5.6	4.9	8.4	9.0	19
1.4	1.3	27.3	28.5	38.2	35.7	129.9	139.7	82.2	80.1	93.3	93.7	2.6	2.5	4.1	3.8	3
0.6	0.8	36.2	40.0	33.0	33.8	97.8	94.2	109.9	118.4	82.5	81.4	2.4	2.3	15.1	16.3	4
1.6	1.7	39.2	45.1	37.4	40.2	101.6	97.7	109.9	111.8	85.1	81.9	8.8	8.0	6.1	10.1	4
1.3	2.0	36.6	34.5	38.0	35.2	107.5	108.1	96.3	98.1	76.0	80.5	12.4	9.2	11.6	10.3	4
0.2	0.2	19.1	22.1	37.9	46.3	130.3	145.0	50.4	47.8	92.6	93.8	2.2	1.9	5.2	4.3	2
3.9	3.7	44.6	47.2	48.2	50.1	133.8	133.3	92.4	94.1	75.1	72.0	10.7	11.2	14.2	16.8	24
3.6	3.4	43.8	47.0	47.8	50.4	130.5	131.9	91.6	93.3	78.0	73.7	9.0	10.3	13.0	16.0	10
3.5	3.2	51.2	57.1	57.0	56.4	162.4	154.1	98.9	101.3	68.3	68.8	14.0	12.3	17.7	18.9	6
5.2	4.9	25.8	24.8	35.3	39.2	122.4	128.4	73.0	70.1	69.7	71.1	15.0	13.5	15.3	15.4	4
8.8	7.7	31.2	34.0	34.4	34.5	119.5	96.4	90.8	98.7	66.5	66.6	17.2	16.9	16.3	16.5	4
5.0	4.7	50.1	50.4	46.7	46.9	126.5	129.8	107.5	107.4	70.0	69.9	14.7	15.3	15.3	14.8	10
1.6	1.6	54.8	57.3	46.8	49.6	98.5	102.6	117.1	115.4	35.2	47.6	29.8	28.3	35.0	24.1	2
4.9	4.7	46.3	46.2	39.8	39.7	126.6	128.9	116.6	115.9	64.6	65.5	19.2	18.4	16.2	16.1	29
5.3	4.9	52.4	53.9	40.1	40.7	124.5	125.8	130.5	132.4	61.1	61.3	21.3	20.2	17.6	18.5	7
3.9	3.5	52.1	50.8	48.0	47.0	123.9	125.6	108.5	108.0	66.5	68.2	15.8	14.9	17.7	16.9	5
4.3	4.6	31.7	29.2	27.5	27.1	110.2	111.8	115.1	107.7	81.5	83.6	12.1	10.3	6.4	6.1	4
4.1	4.4	24.4	23.0	34.2	33.6	139.7	140.2	71.2	68.3	67.0	68.8	20.3	19.5	12.7	11.6	5
5.3	5.0	50.4	49.8	41.6	42.1	127.2	132.0	120.9	118.4	62.7	63.9	19.8	19.4	17.5	16.7	8
4.9	4.5	38.8	36.7	34.5	31.9	123.4	121.0	112.5	114.9	67.3	71.1	13.9	12.5	18.8	16.4	3
3.0	3.1	54.1	54.1	49.1	49.6	103.4	108.8	110.4	119.0	55.5	52.0	16.8	18.7	27.7	29.3	8
2.4	2.0	42.5	44.0	51.2	53.5	126.6	131.8	83.0	82.1	51.0	51.0	15.5	16.1	33.5	32.9	2
3.5	3.8	62.5	61.4	47.5	47.2	85.9	91.9	131.6	116.5	58.5	52.7	14.9	17.5	26.6	29.8	3
2.6	2.3	29.1	29.3	54.5	54.6	157.8	162.2	53.4	53.5	56.3	52.7	33.8	37.2	9.9	10.1	3
5.6	6.4	46.7	45.5	39.0	40.3	131.7	139.9	119.8	112.8	66.1	85.7	17.4	7.5	16.5	6.8	12
5.7	6.5	45.8	41.6	37.6	39.0	131.5	140.2	121.8	114.2	66.4	86.0	17.3	7.3	16.3	6.7	9
3.4	2.7	47.5	67.1	71.0	70.4	140.7	129.1	95.2	95.4	56.8	58.0	21.5	20.9	21.7	21.1	3
3.0	3.3	31.0	33.3	41.7	42.8	136.3	143.2	74.5	77.7	64.1	63.1	18.1	17.9	17.7	19.0	12
4.6	4.2	33.7	33.4	39.3	38.9	144.1	146.0	85.7	86.7	66.3	67.4	21.6	20.4	12.1	12.2	16
5.0	4.5	35.0	35.2	38.5	38.1	141.3	144.4	90.8	92.2	62.3	62.2	24.4	23.7	13.3	14.1	6
4.5	4.2	30.5	30.2	42.2	41.8	163.5	163.5	72.2	72.3	77.3	79.0	12.6	11.4	10.1	9.6	5
3.7	3.3	32.5	32.0	38.9	38.2	132.7	132.5	83.4	83.9	63.0	66.1	26.6	24.7	10.4	9.2	5
3.4	3.4	27.2	25.9	34.6	32.5	133.1	135.0	78.7	79.7	67.2	65.6	19.2	20.0	13.6	14.4	18
2.3	2.9	25.2	24.3	34.9	32.1	127.0	131.6	72.4	75.8	75.6	76.9	15.8	14.9	8.6	8.2	5
3.9	4.0	29.0	26.7	36.2	34.0	145.1	146.0	80.1	78.7	60.5	57.9	22.0	23.4	17.5	18.7	7
4.7	5.7	17.7	18.6	25.0	27.1	113.4	115.7	71.0	68.5	56.1	51.2	30.9	34.2	13.0	14.6	2
2.2	2.3	26.7	27.9	29.3	27.1	108.5	105.8	90.9	102.9	75.1	72.9	14.0	15.2	10.9	11.9	4
3.0	3.1	33.7	31.9	49.6	48.1	161.1	161.6	67.9	66.4	45.6	41.6	36.0	38.7	18.4	19.7	5
1.0	1.0	11.4	10.5	10.7	9.4	100.7	100.1	106.3	111.6	—	—	—	—	—	—	15
1.0	1.0	4.8	5.1	5.2	5.1	101.3	100.9	92.0	100.4	—	—	—	—	—	—	8
0.8	1.0	53.7	53.6	45.9	43.9	93.3	89.1	117.0	122.1	—	—	—	—	—	—	7
13.2	11.7	81.7	79.3	52.6	52.9	94.4	97.9	155.4	149.9	—	—	—	—	—	—	3
7.9	8.6	88.6	86.1	50.3	49.0	88.1	89.5	176.0	180.5	29.7	24.0	25.7	25.6	44.6	50.4	32
3.8	4.1	86.5	86.7	66.6	64.5	61.7	60.4	130.0	134.5	28.6	29.0	43.5	43.7	27.9	27.3	8
2.5	2.6	34.7	34.7	35.0	34.2	109.3	109.2	99.2	101.6	—	—	61.9	63.1	38.1	36.9	1
8.6	8.6	83.3	82.3	16.3	20.5	66.4	77.6	512.5	400.7	38.8	30.2	11.3	12.3	49.9	57.5	8
2.1	2.3	75.4	75.4	66.9	63.7	106.3	97.2	110.8	118.4	—	—	76.2	—	23.8	—	3
10.4	11.3	92.8	93.1	55.3	53.0	96.0	89.8	167.8	175.4	24.0	13.2	16.0	18.1	60.0	68.7	9
4.5	4.8	76.6	73.6	46.3	46.5	94.9	110.7	165.7	158.5	79.6	80.1	8.5	8.0	11.9	11.9	3
1.2	1.5	60.8	61.5	63.1	57.2	127.6	106.2	96.4	107.5	—	—	—	—	—	—	9
1.2	1.5	58.9	59.5	61.5	55.6	130.1	108.1	96.4	106.9	—	—	—	—	—	—	5
2.0	2.1	82.4	82.7	79.1	73.5	89.8	74.5	104.2	112.5	—	—	—	—	—	—	4

(5) Financial Expense / All Expenditure (6) Fixed Assets / Asset Total (7) Owned Capital / All Capital Used (8) Current Assets / Current Liabilities (9) Fixed Assets / Owned Capital

preceding term), while 5 indicated more than 2 percent drop (9 in the preceding term). The hardest hit was hard and bast fibers with a fall-off of 17.3 percent, and the others were: motion pictures (down 4.8 percent), rubber (down 4.3 percent), sugar refining (down 4 percent), and department stores (down 2.6. per cent).

During the half-year under review increase in capital in consequence of recapitalization had amounted to some ¥34.4 billion (up 9.5 percent), so the total payment of dividends actually went up.

7 companies upped dividends (6 in the preceding term), 2 resumed payment (nil in the preceding term), 163 maintained the same dividend rate (preceding half-year, 145), and 34 corporations reduced dividends (preceding term, 56). Consequently reductions fell off, while there was a gain in the number of companies either upping, resuming, or maintaining dividends. Corporations failing to declare dividends numbered 33, only one more than in the preceding term.

As for disposition of profit, the overall pattern was as is shown in Table 2. Profit withheld in reserve, which had been steadily declining since 1948,

began from the first half of 1955–56 to rise, there being reported ¥2.9 billion (22 percent) more than in the preceding half-year. Dividends rose by ¥2.3 billion (9.3 percent); so the gain was less than that of profit withheld in reserve. Consequently, profit-sharing, including remuneration to officers, came to 38.4, down 0.8 percent as against the preceding term. The disposition of profit pattern improved for the first time as a result of boosted earnings.

Corporate finances also underwent improvement. There was reported a gain in liquid assets of some ¥105.2 billion (6.7 percent, nearly double the increment shown in the preceding term. Inventoried assets continued to decline, and a drop of ¥27.5 billion (4.4 percent) was seen. Notes receivable increased by ¥42 billion, and other receivables went up ¥43.1 billion, boosting current assets by ¥93.6 billion (12.5 percent); while increase in other liquid assets was ¥39.2 billion (19.5 percent).

With fixed assets, the continuation of the trend to repress investment in plant, a manifestation of one phase of assets revaluation, held down the gain to only ¥79.8 billion (4.1 percent). As against the figure of the preceding half-year, a decline of ¥34.4 billion (¥15.2 billion when assets revaluation is disregarded) in gain was indicated. Consequently, for the term under review the gain in liquid assets was greater than in fixed assets; and the assets pattern changed somewhat with liquid assets at 44.9 percent of the total (preceding term, 44.3 percent), and fixed assets at 54.8 percent (preceding term, 55.8 percent).

On the liabilities side, there was an increase of ¥141.2 billion (6.8 percent), ¥46.9 billion more than the ¥94.3 billion of the second half of 1954–55. This increase was made up of the following: ¥79.9 billion in current liabilities, ¥14.9 billion in corporate debentures, and ¥46.4 billion in long-term borrowings. As compared to the preceding term, the gain in current liabilities was notably high, at ¥54.7 billion.

Notes payable increased by ¥38.2 billion (¥1. billion in the preceding term), and the gain in other accounts payable (purchases) was ¥18.5 billion (preceding half-year, ¥5.8 billion). Conversely, there was, for the first time, a drop of ¥37.6 billion in short-term borrowings.

Increase in own capital (equity capital and reserves) was only ¥46 billion (3.1 percent up), at but one-third of the increase in liabilities, and the gain was ¥29.1 billion less that as reported in the preceding half-year. Capitalized values went up ¥33.4 billion; corporate reserves dropped ¥13 billion (of which the decline in reserve for assets revaluation was ¥9.6 billion); and surplus profit gained ¥24.6 billion.

In comparison with the results for the second half of 1954–55, gain in capital and corporate reserves fell respectively by ¥16.8 billion and ¥36.2 billion; and only surplus profit, aided by higher earnings, showed improvement by ¥23.9 billion.

Consequently, the overall capital structure was slightly altered: own capital fell from the former 41.6 percent of the total to 40.8 percent; and with the corresponding increase in liabilities the ratio of liabilities to capital shifted from the former 140.3 percent to 145.3 percent.

When the above relationship between assets and liabilities is analysed, Table 3 results. Investment (overall) in fixed assets amounted to ¥79.8 billion, more than could be adequately covered by the gain in own capital; and the deficit of ¥20.8 billion was met by increase of fixed liabilities. In consequence, the ratio of fixed to total liabilities rose to 134.4 percent, as against the 133.1 percent of the preceding term. This is 42.4 percent higher than the prewar average of 92 percent (second half of 1936–37; source, *Mitsubishi Economic Research Institute*).

Turning to the use and sources of business funds as shown in Table 3, investment in fixed assets declined to 35 percent as against the 51 percent of the preceding term. Liquid assets rose to 58.3 percent from the former level of 48.5 percent. Since the prewar proportions were: fixed assets, 30.1 percent versus liquid assets, 57.3 percent, the present ratio superficially is getting close to normal. But when the sources of capital are scrutinized it is found that the dependence on own and outside funds is just the reverse of prewar when gains in own capital versus gains in liabilities progressed at a ratio of 64.2 to 35.8. The results reported in the first half of 1955–56 show that while assets obtained by own capital stood at 25.9 percent of the total (30 percent in the preceding term), that portion of assets procured through increase in liabilities came to 62 percent (50.5 percent in the preceding half-year). This is more than enough to show that Japan's postwar business is still far from having accumulated sufficient capital.

The detailed figures obtained as a result of the *Oriental Economist* survey are given in table 4.

Pattern of Manufacturing Industry

THE "manufacturing statistics" of the Ministry of International Trade and Industry are helpful in learning about the status of manufacturing as undertaken by private business, and provide data for consideration of future plans. The present study therefore will be based on the recently published "General Information, 1954."

Comparing the years 1951 and 1954, the transitional changes are as given in Table 1. Although there were gains of 9.3 percent and 12 percent respectively in workplaces and number of employees, the increases in deliveries (50.6 percent), *added value (61.6 percent), and production (42.8 percent) were indeed remarkable. In other words, production volume per capita or per workplace increased notably, and the conditions of operation underwent appreciable improvement since the Korean War.

1. MANUFACTURING INDICES
(1951=100)

	1952	1953	1954
Number of Workplaces	101.2	103.1	109.3
Number of Employees	102.0	109.8	112.0
Value of Outshipments	115.0	141.7	150.6
Added Value	110.1	143.5	161.6
Production Index for Manufacturing	109.5	128.4	142.8

Note: "Added Value" index only for workplaces employing more than 4 workers. "Production Index" by MITI.
Source: *The Oriental Economist* for all tables unless indicated otherwise.

By business classification, the pattern of manufacturing operations in 1954 appeared as is shown in Table 2.

It will be seen that in number of workplaces top ranking is held by food processing, at 22 percent of the total. Spinning and weaving (18.9 percent), lumber and wooden goods (12.7 percent), and metal goods manufacturing (6.2 percent) come next in the order named. In number of employees, spinning and weaving at 19.8 percent of the total is at the head of the list, followed by food processing (12.4 percent), machinery (7.3 percent) and lumber and wooden goods (6.8 percent).

In deliveries (outshipments), food processing is again foremost with 17.9 percent of the total value. This is followed closely by spinning and weaving (16.7 percent), with third and fourth places held by metal primary products (12.2 percent) and the chemical industry (10.4 percent).

With added value in workplaces employing more than four workers, the chemical industry ranks first at 13.5 percent of the total, closely followed by spinning and weaving (13.3 percent), food processing (11.5 percent), and metal primary products (10.3 percent).

From the above, it will be seen that food processing and spinning and weaving hold first and second places in number of workplaces and employees, and in volume of outshipments; and second and third rank respectively in added value. They are therefore the most important classifications of manufacturing in present-day Japan. Nevertheless it is notable that the metal primary products industry and the chemical industry, both low in number of workplaces and employees, are high in delivered products value and added value.

Table 3 shows the overall pattern of manufacturing by size of operation. Although the marginal enterprises, employing less than 3 workers, make up 57.1 percent of the total, their aggregate workforce comes to but 10.3 percent of all manufacturing employees. In value of delivered products, they contribute only 3.1 percent. In contrast, the larger entities employing more than 300 workers operate only 0.4 percent of all workplaces, but their aggregate employment stands at 27.6 percent of the total; value of delivered products, 43.9 percent of the total; and added value, 48.3 percent of all workplaces employing more than 4 workers.

The 1954 survey investigated changes in tangible fixed assets (investment in facilities) at workplaces employing more than four workers, and a gain of ¥308,500 million was found. This overall increment is 16.2 percent of the aggregate added value. Those categories showing more than 10 percent of this gain in fixed assets value were: metal primary products manufacturing (¥48,500 million—15.7 percent); the chemical industry (¥47,900 million—15.5 percent); spinning and weaving (¥39,200 million—12.7 percent); and food processing (¥36,400 million—11.8 percent). By size of operation, gain in fixed assets was shown by less than one half of the workplaces employing between 4 and 29 workers; but with the next ranking there was considerably more, and with operations employing more than 300 workers some increase in fixed assets was almost universal.

When the years 1953 and 1954 are compared, there is seen an overall increase by 6.1 percent in the number of workplaces. By business classification the most notable gains are indicated by clothing and accessories (21.2 percent), printing and publishing (15.1 percent), hides and leather (11.7 percent), and scientific equipment, cameras, &c. (11.4

*1) *By "added value" is meant the value of delivered goods less cost of raw materials, power, fuel, subcontracted work, and domestic consumption taxes.*

*2) *Places of operation in 1954 stood at 6.1 percent more than the number counted in 1953. This gain was due in part to the survey of workplaces undertaken by the Bureau of Statistics of the Office of the Prime Minister in July 1954. This survey, which covers even part-time jobs and cottage industries, is carried out every three years; and in the years this count is made the scope of the manufacturing statistics survey is expanded accordingly. Nevertheless, such figures as number of workers, value of outshipments (deliveries), and added value are not appreciably affected.*

2. PATTERN OF MANUFACTURING INDUSTRY, BY TYPE OF BUSINESS, 1954

	Workplaces		Employees		Deliveries		Added Value*	
	Number	% of Total	Number	% of Total	Value in ¥ million	% of Total	Value in ¥ million	% of Total
Manufacturing Total	430,444	100.0	5,285,349	100.0	6,247,832	110.0	1,905,029	100.0
Food Processing	94,428	22.0	656,577	12.4	1,117,444	17.9	219,255	11.5
Spinning & Weaving	81,232	18.9	1,048,219	19.8	1,042,358	16.7	254,968	13.3
Clothing & Accessories	16,149	3.8	140,076	2.7	88,159	1.4	24,039	1.2
Lumber & Wooden Goods	54,760	12.7	377,332	7.1	271,690	4.3	70,808	3.7
Furniture & Fittings	22,532	5.2	122,521	2.3	56,016	0.9	19,318	1.0
Paper & Kindred Products	11,143	2.6	160,675	3.1	246,463	3.9	75,336	4.0
Printing & Kindred Work	13,053	3.0	228,231	4.3	210,733	3.4	107,226	5.6
Chemical Industry	9,123	2.1	349,684	6.6	651,345	10.4	248,415	13.6
Petroleum & Derivatives	1,051	0.2	30,098	0.6	116,142	1.9	25,383	1.3
Rubber Processing	1,326	0.3	72,445	1.4	85,811	1.4	38,614	2.0
Hides & Leather	5,217	1.2	33,899	0.6	34,507	0.5	8,435	0.4
Glass, Refractories & Ceramics	24,726	5.8	274,765	5.2	222,061	3.6	108,719	5.7
Metal Primary Products	6,409	1.5	358,980	6.8	761,999	12.2	196,004	10.3
Metal Goods	26,703	6.2	249,552	4.7	198,697	3.2	70,237	3.6
Machinery	18,809	4.4	385,414	7.3	326,363	5.2	132,801	6.9
Electrical Machinery & Appliances	6,037	1.4	241,376	4.6	292,383	4.7	121,291	6.3
Transportation Machinery & Equipment	9,146	2.1	309,796	5.9	368,774	5.9	128,317	6.7
Scientific Equipment, Cameras, &c.	4,021	0.9	76,364	1.4	56,558	0.9	23,570	1.2
Other	24,579	5.7	169,345	3.2	100,319	1.6	32,285	1.7

Note: *for workplaces employing more than 4 workers. Workplace and employee figures as of yearend 1954. Other figures, total for 1954.

3. PATTERN OF MANUFACTURING BY SIZE OF OPERATION, 1954

	Workplaces		Employees		Deliveries		Added Value	
	Number	% of Total	Number	% of Total	Value in ¥ million	% of Total	Value in ¥ million	% of Total
Manufacturing Total	430,444	100.0	5,285,349	100.0	6,247,832	100.0	1,905,029	199.0
Less than 3 workers	245,953	57.1	544,979	10.3	193,164	3.1	—	—
4 to 29 workers	159,503	37.1	1,678,414	31.8	1,225,128	19.6	365,491	1.92
30 to 299 workers	23,332	5.4	1,601,757	30.3	2,087,537	33.4	618,671	32.5
300 to 999 workers	1,282	0.3	651,972	12.3	1,258,518	20.2	390,614	20.5
1,000 or more workers	374	0.1	808,227	15.3	1,483,481	23.7	530,249	27.8

per cent). Conversely, there were decreases indicated by petroleum and coal products (1 percent), metal primary products (1.2 per cent), and transportation machinery and equipment (1.6 percent). These figures reflect the sensitivity of the various classifications to the effects of the deflationary recession.

The same tendency is discernible in other facets: although there was an overall gain of 2 percent in number of employees, food processing employment went up 11.7 percent, while the metal primary products workforce decreased by 6.6 percent.

Value of outshipments also gained on the whole by 6.3 percent. Notable gains were indicated by food processing (23.3 percent), electrical machinery and appliances (21.8 percent), scientific equipment, cameras, &c. (20.1 percent), printing and publishing (13.3 percent), lumber and wooden goods (12.5 percent), and furniture and fittings (12.1 percent), but metal primary products declined by 9.3 percent.

In added value the overall gain in 1954 over 1953 was 12.5 percent, and notable advances were made by food processing (35.7 percent), rubber processing (33.5 percent), scientific equipment, cameras, &c. (28.1 percent), printing (24.5 percent), and electrical machinery and appliances (20.2 percent); but reverses were indicated by petroleum and coal products (down 6.5 percent), paper and kindred products (3.9 per cent), and metal primary products (3.9 percent).

As for the changes in pattern by size of operation, although there was from 5 to 9 percent in-

crease in the number of workplaces employing less than 30 workers, there was very little change in classifications other than the 200-to-299 range. The same tendency was seen in the workforce figures.

4. PATTERN OF MANUFACTURING BY VALUE OF PRODUCTION
(Percentages)

	1930	1941	1954
Metal Industry	8.5	19.5	15.4
Machinery & Appliances	11.6	29.6	17.7
Chemical Industry	15.2	16.4	18.1
Subtotal (heavy & chemical industries)	35.3	65.8	51.2
Textile Industry	36.5	15.9	18.1
Printing & Bookbinding	3.2	1.3	3.4
Refractories & Ceramics	2.7	2.4	3.6
Gas & Electricity	0.3	0.3	—
Foodstuff	16.0	8.2	17.9
Lumbermilling & Wooden Products	2.7	3.8	5.2
Other	3.3	2.4	1.6
Subtotal (light industries)	64.7	34.3	49.8

Note: Because after 1953 business classifications were changed, accurate comparisons are difficult. "Textile Industry" includes both "spinning and weaving" and "clothing and accessories" of Table 2, "Lumbermilling & Wooden Products" includes both "lumber & wooden goods" and "furniture & fittings"; "Chemical Industry" covers "paper & kindred products", "chemical industry", "petroleum & derivatives", "rubber processing", and "hides & leather". "Metal Industry" includes both "metal primary products" and "metal goods". "Machinery & Appliances" covers "machinery", "electrical machinery & appliances", "transportation machinery & equipment", and "scientific equipment, cameras, &c.". The 1954 represent value of outshipments.

Sources: 1930 and 1941 figures, "Factory Statistics" of the Ministry of Commerce and Industry. 1954 figures, Ministry of International Trade and Industry.

From Table 1 it will be seen that the annual gains in added value outstrip those of value of outshipments. This is thought to be due to declines in the cost of raw materials, the result mainly of lower raw material prices.

Comparison of the recent pattern with that of prewar and war years is made in Table 4 and 5. In wartime there was abnormal expansion, relatively speaking, of metals and machinery manufacturing, with suppression of spinning and weaving. The present trend as a whole is a gradual shift in emphasis away from the light industries toward the heavy and chemical industries.

5. PATTERN OF MANUFACTURING BY WORK FORCE EMPLOYED
(Percentages)

	1930	1941	1954
Metal Industry	5.2	11.0	11.5
Machinery & Appliances	10.8	37.6	19.2
Chemical Industry	7.6	10.3	12.3
Subtotal (heavy & chemical industries)	23.6	58.9	43.0
Textile Industry	51.1	21.5	23.5
Printing & Bookbinding	3.4	1.7	4.3
Refractories & Ceramics	3.7	3.6	5.2
Gas & Electricity	0.6	0.4	—
Foodstuff	8.7	5.7	12.4
Lumbermilling & Wooden Products	3.6	4.7	9.4
Other	5.3	3.6	3.2
Subtotal (light industries)	76.4	41.2	57.0

Note: See Note in Table 4.

Local Government Finance

THE people's tax burden in fiscal 1956-57 (ending March 31, 1957) will be close to ¥1,359 billion; but of this amount only ¥504.5 billion will be disbursed by the central government, and the remider, some 854.4 billion, will be spent by local bodies. From this fact can be seen the enormous influence exerted up on the people's living by local finances.

Furthermore, over the past few years, the financing of local government has come up against a blank wall; and the deficit run up in fiscal 1954-55 came to as much as ¥64.8 billion (source: Autonomy Board). In consequence it is but natural that in compiling the national budget for fiscal 1956-57 the setting up of a satisfactory policy in regard to local government finance has been counted among the most crucial of the problems involved.

What then is the situation? Is local government finance now headed toward betterment?

This article will look into this problem on the basis of the local government finance program for fiscal 1956-57 as formulated recently by the Autonomy Board.

Heretofore, planning of local government finance had been done on a cumulative basis by adding the new requirements for each fiscal year onto the figures indicated by the accounts as closed for fiscal 1950-51. This method, however, has had severe drawbacks int hat wide variances resulted each year between appropriations and actual disbursements to cause a piling up of deficits. It was therefore decided this time to reject this method and to base planning on the accounts as closed for fiscal 1954-55, undertaking in this way a fundamental reappraisal of the requested appropriations.

The result of such planning has been that the local government budget for fiscal 1956-57, as compiled by the Autonomy Board, is balanced at ¥1,045.-7 billion, at a level higher by ¥46.8 billion than that of fiscal 1955-56. This gain, however, cannot be considered a real expansion of local finances since the main causes for the increase in requested appropriation are expenditures for pay and material purchases, which are in the nature of consumptive spending, boosted to bring the plan closer to actuality.

What then does the new program contain to overcome the annual deficits? Let us first look into the disbursement side.

The first step to be noted is the adjustment made in wages and salaries. As against the appropriation for pay in fiscal 1955-56, the new budget, at ¥401.2 billion calls for an increase of ¥22 billion. This is because the information obtained as a result of a survey of government employees in January 1955 has been used to arrive at a closer approximation of actual requirements, and because an increase in the number of teachers has been allowed for in view of the growing size of school classes.

1. COMPARISON OF LOCAL GOVERNMENT FINANCE PROGRAMS, FISCAL 1955-56

(In yen million)

Expenditure	Fiscal 1955-56	Fiscal 1956-57	Comparison (△ decrease)
Outgo Conducive to Consumer Spending			
Pay	379,146	401,169	22,023
Pensions, Retirement	19,139	19,892	753
Bonds Servicing	51,143	62,392	11,249
Other Outgo	268,020	284,799	16,779
Social Security, &c. subsidized by the Treasury	102,204	102,111	△ 93
Travel, Maintenance, &c. not subsidized by the Treasury	265,816	182,688	16,872
Subtotal	717,448	768,252	50,804
Outgo for Investment			
Public Works	179,296	173,509	△ 5,787
Unemployment Relief	28,919	30,554	1,635
Local Works and Enterprises	73,191	73,355	164
Subtotal	281,406	277,418	△ 3,988
Total	998,854	1,045,670	46,816
Revenue			
Local Taxes	357,670	397,684	40,014
Regular Taxes	357,292	391,935	34,643
Special Taxes	378	5,749	5,371
Taxes Collected for Local Government	22,446	23,641	1,195
Admission Tax	14,743	16,221	1,478
Local Highway Tax	7,703	7,420	△ 283
Treasury Grants out of Taxes.	139,493	162,798	23,305
Tobacco Monopoly Grant	4,474	—	△ 4,474
Emergency Grant	16,000	—	△16,000
Treasury Grant in Aid	273,260	277,830	4,570
For Compulsory Education.	74,900	76,950	2,050
Other Subsidies	69,539	70,312	773
Public Works Subsidy	112,001	111,388	△ 613
Unemployment Relief Subsidy	16,820	19,180	2,360
Local Government Bond Sales	78,300	71,500	△ 6,800
Sundry Revenue	107,211	112,217	5,006
Total	998,854	1,045,670	46,816

Note: Figures for fiscal 1955, plan as revised.
Source: *The Oriental Economist* for all tables.

In planning in the past, the theoretical pay of government employees was used as a base for computation of local government employee remuneration; but deficits resulted because actual pay was in excess of the calculated figure. The new appropriation is based on the actual pay figures obtained, adjusted for local conditions.

Another variance had been due to mismatch of budget and actual workforce figures. Whereas actual count indicated 697,000 persons drawing salaries (administrative personnel and teachers) the budget appropriations in the past provided for only 646,000 salaried workers. The new plan allows for 682,000 such employees, so the gap has been narrowed by 36,000. The corrections made for pay level and raises increased the requested appropriation by ¥5.6 billion, while adjustment of overall size of payroll necessitated a further increase of ¥8 billion.

Another factor making for increase in appropriation for pay was the recognition of temporary hire within the limits of the budget (¥7.4 billion), while

the need for more teachers due to increase in the number of school children calls for another ¥2.2 billion. At the same time, the scheduled reduction in police personnel was called off by reason of the need for closer surveillance over communist activities.

The second point calling for attention is the streamlining of the administrative system which has resulted in some savings, such as ¥1.5 billion through abolition of the election of Education Committees, and ¥0.4 billion through simplification of procedures as a result of revisions in the Local Autonomous Government Law. In addition, there are planned such changes as regrouping of local public safety committees, adoption of a retirement age system (above two measures calling for amendment of the Local Public Employee Law), and the enactment of a law for promotion of mergers of administrative subdivisions.

The third point is in connection with public works. The deficits run up by local government are not solely the responsibility of local officials: it must be noted that the increasing burden of the local share in public works has contributed considerably toward increase in deficits. In order to lighten this burden, the new budget proposes a higher rate of subsidization by the Treasury for about 50 different types of projects including riparian works, highway construction, flood control and irrigation, and harbor projects. However, in so far as the Government has not increased the total amount available in subsidies, it follows that the volume of public works must be reduced. It is expected that the local government share of public works expenditures in fiscal 1956-57 will be some ¥5.8 billion less than in fiscal 1955-56. Furthermore, together with the reduction of other normal subsidies, the local government share will decrease by some ¥4.1 billion. Nevertheless, since there is, among the expenditures to be slashed, some ¥1.7 billion-worth to be paid out of local revenue, the real reduction of the local government burden will be about ¥2.4 billion.

The fourth point concerns servicing of local government borrowings. During the postwar inflation crisis, the local government bodies went in for indiscriminate floating of local government bond issues to cover deficits; and because these bonds are in the process of maturing the cost of redemption and servicing is steadily mounting. If matters are left as they are, certain prefectures face insolvency. It must, however, be remembered that the local bodies were forced into borrowing because the central government failed to provide adequate revenue. Consequently, it is the local contention that the national government should at least undertake payment of interest due.

The Ministry of Finance, however, has not acceded to this demand; and has only agreed to permit reborrowing in connection with the bonds maturing in fiscal 1956-57 (¥3 billion from Treasury funds, and ¥5 billion from the public). Consequently, the cost of servicing local government bonds in fiscal 1956-57 will be ¥62.4 billion, ¥11.2 billion more than in fiscal 1955-56.

In order to forestall the snowballing of the cost of bond servicing in the future, it goes without saying that new issue of bonds must be suppressed. In line with this reasoning, the issuance of general account enterprise bonds (deficit bonds for supplementing lack of revenue) will be held down at ¥57.5 billion, ¥17.8 billion less than in fiscal 1955-56.

On the other hand, for such public enterprises as electric power and waterworks there is nothing unduly unsound since borrowings can be paid off from earnings. Consequently, issuance of bonds for financing publicly owned and operated enterprises has been upped to the ¥36.5 billion level, ¥9.1 billion more than in fiscal 1955-56. All in all, the amount of local bonds planned for fiscal 1956-57, including reconstruction bonds, will come to ¥128 billion (national government purchase, ¥84 billion; public subscription, ¥44 billion). This is but ¥0.7 billion less than in fiscal 1955-56.

2. LOCAL GOVERNMENT BOND ISSUE PLAN
(In yen billion)

	Fiscal 1955-56	Fiscal 1956-57
General Account	75.3	57.5
General Subsidy Projects	39.2	26.8
Past Disasters Subsidized	7.3	6.0
Specific Disaster Relief	4.7	3.0
Education Facilities	11.1	9.5
General Specific Projects	10.0	8.5
Disaster Relief Reserve	3.0	3.7
Reconstruction Bonds, &c.	26.0	34.0
Reconstruction Bonds	20.0	20.0
Retirement Bonds	6.0	6.0
Reborrowing Bonds	—	8.0
Included in Fiscal Program	78.3	71.5
Public Enterprises Bonds	27.4	36.5
Total	128.7	128.0

The new fiscal plan for local government incorporates various measures for reinforcement of revenue. Principal among these are: increased collection of local taxes, correction of skewed sources of revenue, and increased aid from the central government, mainly in the form of tax grants.

Turning first to the local taxes, it is noted that the 1956-57 revision of the local tax system calls for: *a*) reduction of the scope of tax-exemption, *b*) expansion of the system of taxing the beneficiaries, *c*) better discipline in tax administration, and *d*) strengthening of the ability to adjust sources of revenue.

By reduction of the scope of tax-exemption is meant the setting up of a tax payment system for the three government corporations (railways, monopoly, and telecommunications) in regard to fixed assets, and the grant system for state-owned property. The fixed assets tax levied on the three government corporations will be at a rate of 1.4 percent on one half (one quarter in fiscal 1956–57) of the appraised value of fixed assets lying within local government borders. Of the collectable amount of ¥9.2 billion in the course of a normal year, the railways will pay ¥7.5 billion, the monopoly ¥0.3 billion, and telecommunications ¥1.4 billion.

In the case of state or publicly owned property, the plan is to pay, in the form of grants, the equivalent of fixed assets tax to the local government bodies in the area of which lie *a*) fixed assets of the government or public bodies not used by the public body in question, *b*) national forest land, or *c*) power generation facilities.

For expansion of the burden on beneficiaries, the kerosene tax (prefectural) and the city planning tax (municipal and township) can be cited. The kerosene transaction tax is aimed at raising revenue for highways, and will be levied on diesel fuel for motor vehicles at the rate of ¥6,000 per kiloliter. The city planning tax will be levied by the principality at its own discretion on property gaining in value by virtue of city planning (not more than 0.2 percent of assessed value). The expected revenues in fiscal 1956–57 are: kerosene tax, ¥2.5 billion; and city planning tax, ¥3 billion.

It is a widely known fact that local revenues vary greatly between the larger cities and the remote prefectures. In order to reduce this disparity, the proposal is to take the equivalent of 10 percent of the excess revenue of the wealthier local bodies, from the admission tax grant coming to them, for distribution to the less favored. (some ¥1.5 billion in fiscal 1956–57).

At the same time, there will be a 3 percent increase, to 25 percent, in the tax grant to local bodies (¥19.4 billion increase.) In 1955–56, however, there was an emergency grant in the amount of ¥16 billion, while in 1956–57 there will be no special monopoly grant (¥4.5 billion in 1955–56); so allowing for the natural gains in the three national taxes (income, corporation, and liquor) involved, the tax grant will be but some ¥28.3 billion more than in fiscal 1955–56.

It has already been shown that there will be considerable progress made in both the revenue and expenditure sides of local government finance. Past deficits will be dealt with by means of the Local Government Finance Rehabilitation Promotion Law enacted late last year; so it can be said that long last a definite approach is about to be made in regard to reconstructing local government finances. Nevertheless, it cannot be said that the causes of deficits have been completely eliminated. There still remain a number of troublesome problems.

Industry

Iron & Steel

THE 1955 steel boom, insofar as Japan was concerned, featured by the following phenomena:

1) Both production and export trade registered all-time high records in terms of volume.

2) As overseas sales had increased at a greater rate than production, it was even feared that pressure would be brought about to bear upon local consumption. Just at that moment, however, supplies of raw materials got so short that steps were taken to restrict exports and regulate production before local consumption was practically affected.

3) The remarkable expansion of 1955 steel exports was ascribed mainly to the "peace boom" in Europe and the serious shortage of steel products there.

IRON & STEEL PRODUCTION & EXPORTS
(In 1,000 mt.)

	Blast Furnace Pig Iron	Steel Ingot	Rolled Steel	Exports
1949	1,371	3,111	2,141	299
1950	1,981	4,839	3,486	726
1951	2,887	6,502	4,807	1,036
1952	3,272	6,988	4,874	1,654
1953	4,317	7,662	5,419	866
1954	4,416	7,750	5,593	1,254
1955	5,039	9,408	6,672	2,047
1955* (estimated)	5,224	9,711	6,788	2,044
1956* (scheduled)	5,720	10,420	7,300	1,646

Notes: Years marked with the asterisk * are fiscal years, and all others are calendar years. Figures for fiscal 1955 are estimates, and those for fiscal 1956 are scheduled goals.

Prospects Not Too Rosy

What then are prospects in 1956?

1) 1956 production is expected to continue rising over the 1955 level. But the tempo of increase certainly will slacken off as blast furnaces and roll-mills have all been operating at the relatively high rates of capacity since last year.

2) Exports, on the other hand, are likely to drop below the preceding year. This is regarded as an inevitable reaction to the too active sales to Argentina of rolled steel and semi-finished products. But domestic sales are expected to get brisk for secondary products, and in such industries as shipbuilding, machinery and civil engineering. Demand will pick up also for materials necessary for export ships.

3) It is feared that overseas sales will mark time, if not decline, in the latter months as the steel boom in Europe appears to have touched its summit. Even in the United States the growth of steel output has been getting dull.

4) 1956 will turn out the year of adjustment, if not reaction. the rise of local sales. Furthermore, optimism is unwarranted about Japan's competitive power in steel trade, for local quotations have been rising.

5) Shipments to Southeast Asia indeed registered a substantial increase in 1955, but this provides no grounds for optimism about the future. For the 1955 briskness of shipments to this part of the world was attributed to steel shortage in West Europe. If and when West Europe has finished their preparations for bigger production, Japan will find it very difficult to dominate the markets.

For example, Germany is making vigorous campaigns for sales not only of steel products but also of steel making plant and equipment.

Such being the circumstances, prospects are not necessarily bright though further development is a likely possibility as a long-term trend. In order to cope with the worldwide tendency toward furtherance of the iron and steel industry, therefore, nothing now appears to be more necessary than improvement of equipment and expansion of lacking facilities. In view of their bitter experiences in the days of deflational setback, Japanese steel makers are trying hard to find out the ways and means of raising management efficiency and of making new investments. It is none the less important for them to build up the technical and physical foundation of their business by taking advantage of the current prosperity.

Plans likely to be put into practice in the near future are all for modernization of end-products facilities: namely, Yawata Iron & Steel's plate mill, Fuji Iron & Steel's tin plate plant, Nippon Steel Tube's medium diameter tube mill, Kobe Steel Works' special wire plant, and Kawasaki Steel's strip mill. All these are intended for technical improvement of rolling equipment.

For bigger pig iron production, Nakayama Steel Works, Sumitomo Metal Industries, and Amagasaki Iron & Steel Mfg. are reportedly planning to rekindle or construct one blast furnace each. In an attempt to boost steel turnout without using scrap, Yawata Iron & Steel and Nippon Steel Tube are scheming to build two converters each.

Equipment Expansion & Modernization

MITI is working out a new policy for modernization of the iron and steel industry as a whole along the following lines:

1) Construction of blast furnaces and converters.

2) Building of ore-carriers and positive development of overseas iron mines intended to secure the smooth supply of key materials.

Underlying this policy is the particular emphasis upon the expansion of iron and steel making equipment, whereas the modernization plans thus far pursued and still under progress are mostly aimed at expansion and rationalization of roll-mills. It de-

serves special attention that the construction of coverters is projected in earnest in view of the worldwide scrap famine, and that much importance is given also to the building of ore-carriers as well as to the development of overseas iron mines.

As a long-term ore purchasing program, it is not at all satisfactory to buy small amounts from many sources, but it is essential to purchase about 3,000,000 mt. a year, if not as much as 5,000,000 mt., from one place. Such rich sources must be developed by all means. In this connection, it must be noted that most of the iron mines in the South Seas will soon be exhausted in all probability, and that it is not advisable for Japan to invest much capital in mining and loading facilities for development of these mines. On the other hand, a section of interested circles asserts, some mines in India are so rich and large that long-term investments can and must be pushed effectively.

If iron ores should be mined and delivered in large quantity, they could be transported efficiently by ore-carriers. Should 30,000-ton carriers be used for this purpose, the freight for ores could be cut down to about one half of the current level. It is basis said that 30,000-tonners could easily enter the compounds of the Hirohata, Tobata, Chiba, Kamaishi and Muroran harbors if the facilities there should be improved.

Leading steel companies have up their sleeve their own expansion plans.

Yawata Iron & Steel Co. is planning to build a vertically integral iron and steel plant in the Tobata area, North Kyushu. The plant is to have one 1,200-mt. blast furnace, two converters and blooming mills. In line with such expansion of the basic facilities, hot-rolled and cold-rolled strip mills will be enlarged. The total cost of construction is estimated at ¥15 billion or so. It may be expected that both blast furnace and coverters will be kindled in 1960.

Heated "Strip Rivalry" Seen

Emulating Yawata's ambitious plan, Fuji Iron & Steel Co. is scheming to build a hot-rolled strip mill at the Muroran Iron Works and to construct a blast furnace and expand rolling capacity (by installing a reversing roll-mill for bigger output of broad plates) at the Hirohata Iron Works. As for the projected hot-rolled strip mill at Muroran, a friction of opinion still remains unsolved between Fuji and MITI. The company contends that bigger strip production is essential to cover the contraction of semi-finished products exports, and that its ultimate aim is to develop the Muroran Iron Works from the present status of semi-finished products making it into an intergral end-products plant. Admitting that hot-rolled strip supplies are short at present as claimed by Fuji, MITI experts are skeptical if it is necessary to further boost strip capacity in Japan, for Kawasaki Steel Corporation will expand its output at the Chiba plant to 400,000 mt. a year and Yawata Iron & Steel Co. to 300,000 mt. at the Tobata plant. It is generally held, however, that in case Fuji succeeds in raising necessary funds on its own account, its expansion plan can never be stopped even by MITI.

Nippon Steel Tube Co. is also intending to construct a hot-rolled strip mill and a cold-rolled reversing mill at the Tsurumi Iron Works, where new plate rolling mrchines have already been installed. The projected strip-mills will be so designed, as in the case of Fuji's Hirohata Iron Works, that production of either plates or sheets, continuously connected with the plate mill, may be boosted or cut down in accordance with market conditions.

Strip production has so far been monopolized by Yawata (Tobata Iron Works) and Fuji (Hirohata Iron Works). At the Hirohata Iron Works, plate output has been increased to the extent that the strip mill cannot be put into full play. Thus, Fuji has come to construct another mill at Muroran. As mentioned above, both Kawasaki Steel and Nippon Steel Tube have announced to enter into the arena. No prediction can yet be made about the possible outcome of such rivalry in strip making.

MITI, after all, is assuming a very critical attitude toward these reckless expansion programs, placing due emphasis on the afore-mentioned boost of iron and steel making plants and on the development of iron mines abroad connected with the smoothening of marine transportation.

Kaleidoscope

***Population*:**—Japan's population by the last census taken on October 1, 1955 stood at 89,275,529, the Government officially announced on February 24. This was 6,251 more than the preliminary figure informally announced on December 6, last year. The details of the population such as age, occupation and nationality will be announced later. The October 1, 1955 census, taken for the first time since the preceding survey made in 1950 registered a gain of 6,075,892 over the previous figure. The 1955 census indicates the increasing trend of population concentration to the city area. Especially noteworthy is the expansion of population in the Tokyo metropolitan district which increased by 1,759,584 during the five years from 1950 to 1955. The total population is divided into 50,288,026 urban residents and 38,987,503 suburban dwellers.

***Machinery Orders*:**—Orders received by 74 leading Japanese machinery makers during 1955 totalled ¥337,400 million, registering a sharp gain of about 46% over the orders placed in 1954, according to the Economic Planning Board. Rising exports of ships and increasing equipment investments in key domestic industries such as chemicals, iron-steel and textiles were the two major stimulants. Classified by client, the figures stand as follows:

ORDERS FOR MACHINERY, 1955

	In million yen	Increase over 1954 (%)
Total	3,374	46
Orders from overseas	1,451	166
Domestic orders	1,923	9
Governmental	383	(-) 27
Private	1,540	23
Textiles	149	58
Chemicals	212	97
Iron-steel	100	58
Machinery	41	1
Shipbuilding	16	318
Transportation	373	31
Power	305	(-) 3
Coal	30	15
Others	313	0

Source: E.P.B.

***Bank Capital*:**—The six leading banks (Fuji, Mitsubishi, Sanwa, Sumitomo, Daiichi and Mitsui) will double capital, effective as of July 1. After the capital expansion, those banks will cut dividend rates from the current 12.0% to 10.0%. The present paid-up capital and authorized capital (parenthized) of the six leaders in ¥100 million are: Fuji 27 (108), Mitsubishi 27.5 (110), Sanwa 25 (100), Sumitomo 22.8 (91.2), Daiichi 20.4 (81.6), and Mitsui 20 (80).

***Steel Exports*:**—Japan's exports of iron and steel during 1955 hit a postwar peak of 2,099,000 metric tons worth $275,000,000, according to the Iron and Steel Federation. The 1955 exports beat the 1954 figures by 67% in volume and 55% in value. Major items exported were semi-finished ordinary materials 350,000 tons, bars 330,000 tons, plates 210,000 tons and galvanized iron sheet 280,000 tons. Especially worthy of note was the advance of semi-finished items and bars. Argentina topped the list of customers, followed by India, Australia, the United States, Thailand and the Philippines.

***Pharmaceuticals*:**—The exports of pharmaceuticals and medical instruments during 1955 totalled ¥3,853,000,000 ($10,703,000), registering a slip of ¥1,110,000,000 from the 1954 figures. Particularly drastic was the drop of penicillin exports to Communist China which dwindled to less than 10% of the 1954 mark. On the other hand, vitamins, home medicines and medical instruments gained. The United States headed the list of customers, followed by Formosa, Communist China, Okinawa, Hong Kong, Brazil, India, Argentina and the Philippines.

***Sewing Machines*:**—The Japan Sewing Machine Export Association revealed that the exports of sewing machines during calendar 1955 totalled 1,700,000 valued at $40,700,000, registering an increase of 500,000 machines and $10,000,000. Because of intensive sales competitions, however, the export prices have been markedly forced down. To cope with the situation, the Japan Export Sewing Machines Federation is adopting various counter-measures such as the restriction of the number of export machines during the first quarter (January to March) to 68,000 for the first zone (the U.S., Canada) and 136,000 for the second zone (other destinations) and an export price agreement.

***Government Workers*:**—The Government decided to set the government and public workers for fiscal 1956 at 641,028. This is an increase of 4,676 over the current strength of 636,352 due to the increased personnel required for telephone mail services as well as teaching staffs of state colleges and universities.

***A.E. Generation*:**—The Atomic Energy Bureau of the Prime Minister's Office recently announced the business plan for the Japan Atomic Energy Laboratory. Under this plan, a power reactor is due to be completed during fiscal 1959 for partial operation through the general power transmission network.

***Automotive Industry*:**—The weight of passenger cars has been steadily increased in Japan's automobile industry. The supply of domestic passenger cars amounted to only 7,050 in 1953. It increased to 8,500 in 1954 and made a further jump to 13,350 in 1955.

***Housing-Starts*:**—According to the Ministry of Construction, the total area allotted for new housing-starts during 1955 aggregated 10,099,778 tsubo or a gain of about 0.5% over 1954. It was further revealed that housing-starts by governmental or public organizations receded in 1955 to a marked gain of those by private quarters. Of the total, wooden buildings accounted for about 8,250,000 tsubo or a drop of about 1.0% from 1954 while fire-proof buildings, occupying some 1,850,000 tsubo, beat 1954 by about 7.0%.

***High-Gear Operation*:**—The blast furnace pig iron production during fiscal 1956 is placed at 5,860,000 metric tons, a gain of 640,000 tons (11%) over 1955, according to the latest plan drafted by the "Big 7" steel makers—Fuji, Yawata, Japan Steel Tube, Kawasaki, Sumitomo Metal, Nakayama Steel and Amagasaki Iron. This program will demand an extremely high capacity operation of the blast furnaces held by the seven leaders.

***Merchant Marine*:**—The Japanese merchant marine is steadily returning to its pre-war glory. Although far behind the 1935 peak, the fleet counted 3,400,000 gross tons (inclusive of cargo boats and tankers) as of the end of 1955 against the dwindled 1,340,000 gross tons at the end of war. The volume of cargo carried by Japanese ships accordingly increased. The new trend is that more import goods are carried by Japanese vessels in recent years, while before the war they transported more export items.

Contribution

Contract of Sale in International Trading

By Shih Yueh Wang, J.D.

INTERNATIONAL trading is governed and swayed by a multitude of foreign elements. Those who are engaged in the business of trading and known commercially as importers and exporters find themselves much involved with the world's political, economic and social trends which may result in the opening or closing of a certain market. Their occupational pursuit is subjected to currency restrictions, import and export regulations and the vagaries of foreign and local authorities, not to say the calamities of the elements and the caprice of price level. Yet, in the legal aspect of international trading, all these are but corollaries in the venture of trading. At law, the importer and exporter are simply regarded as the buyer and the seller and their labour culminating in the conclusion of a transaction is likewise deemed to be but a contract of sale of goods, dealing with the transfer of property, or more specifically, the transfer of all the rights and powers in connection with a corporeal object from the seller to buyer for a price. But a contract of sale in international trading lacks the clear definition of a domestic sale. A trading merchant usually does not know exactly where he stands when a contract is breached or its performance is frustrated, because law governing the sale of goods in various countries are not uniform despite the fact that trading law has had a very long history and the present era symbolizes a retreat from the universality of the trading law that was observed centuries ago.

Commerce among countries as reflected in the history of trading law may be traced as far back as the *Law of Hammurabi* of Babylon and the *Attic Law* of Greece. Rules were already established in the third century B.C. to govern the affairs of foreign traders, as to be found in *jus gentium*. The creation of an official post, the *praetor peregrinus*, to facilitate the application of those rules gave recognition of the foreign factors in commerce. The later development of a "common law" for traders overriding the laws of city governments in Spain, Italy, France and Germany and the establishment of *Consulatis Maris*, or guild courts, to pass judgements over disputes among traders gave shape to the substantive and procedural laws of trading in Europe up to the 18th century. In England the *law merchant* was the law common to merchants of all countries and was considered a part of the law of nature. It was administered by special courts at market places and seaports. Since the 18th century, the trading law of Europe based on mercantile customs which were identical mostly everywhere has pursued the path of separatism, as led by France in first codifying her commercial law and England merging the *Law Merchant* in the Common Law, and gradually lost the common identity it used to enjoy.

The modern tendency to incorporate commercial law into the general code still persists, resulting in the accentuating of the national characteristics of the law of obligations and the law of property, and in the corresponding disappearance of the international traits of trading law that once distinguished the *Costumes de la mar* of Barcelona, the *Charte d'Oléron* and the *Waterrecht* of Wisby in the Middle Ages.

Divergence of Laws of Sales

One of the aggravating causes that keeps the practice of international trading in uncertainty is that the laws governing sales of goods in various countries, while agreeing on general principles, differ from one another in many important instances which are frequently involved in commercial disputes. According to the Anglo-American system of law, protection given to the seller under the rule of *Caveat Emptor*, or let the buyer beware, is not followed in Continental Europe where the seller is answerable to hidden defects of the goods he sold. In Germany, the risk of goods does not pass to the buyer at the time of the transfer of title; it remains with the seller until the goods are delivered or its possession changes hands. When a contract of sale of goods is breached for non-delivery, the Anglo-American system would generally allow only the buyer to recover damages from the seller for the breach but, in Scandinavian countries, the seller is often compelled to deliver the specific goods contracted for as the buyer's right for specific performance is more rigidly observed there. So, in matters of conditions and warranties, property in the goods, manner of ascertaining unspecified goods, place of delivery, the conception of a breach of contract, etc., the legal approach and emphasis are different under various systems and no dependable rules can be found.

Force Majeure Clause Not Protective

Knowing the uncertainties hanging over international transactions, many merchants are in the habit of inserting a *force majeure* clause in the contract. They are under the impression that such a clause would serve as a shield against his failure to perform his part in a sale. In law, it gives him scant protection. Briefly stated, *force majeure* clauses are such as to excuse performance because they are beyond the control of the party required to perform. But phrases such as *subject to force majeure* or *force majeure causes excepted* do not define or state in details the circumstances or happenings to be included.

Although they generally cover natural calamities, or *acts of God*, including floods, typhoon, earthquakes, lightning, etc., they leave a great number of contingencies unprovided for. Unless by stipulation, it is highly doubtful whether shortage of raw materials, inability to book freight space, or breakdown-of machinery would be considered to fall within the context of *force majeure* and consequently it supplies only a good deal of wasted arguments in litigation. A court is inclined to give a very restrictive meaning to it in the absence of clear stipulations.

Trade Terms subject to Different Interpretations

A trading merchant is accustomed to rely on well known trade terms when entering 'commitments. It is to be admitted that a good many foreign transactions are being concluded on the basis of established trade terms such as F.O.B., C.I.F., F.O.R., F.A.S., Ex Quay and Ex Works. Such a term constitutes part of a price quotation but implies far more than just the price. It confers on the buyer and the seller their respective rights and obligations. However, it is to be noted that the use of these terms is not immune from misunderstanding because they are often interpreted differently. The exhaustive studies carried out by the International Chamber of Commerce have revealed the significant divergence in the connotations of these terms. For instance, when goods are sold F.O.B., the general rule is that the seller is responsible for giving notice of delivery to the carrier so as to enable the buyer to cover them with insurance. But in the Netherlands, the seller is not required to do so unless by the buyer's stipulation. The rule also is not applicable in Belgium. A seller is generally expected to assist the buyer in procuring necessary documents other than those concerning export which the buyer may need for the country of the goods' destination or while the goods are in transit through other countries. But in Italy, the seller is deemed to have fulfilled his obligation by obtaining all the documents essential for the delivery of the goods to the custody of the carrier. Having regard to the responsibility of procuring the bill of lading in an F.O.B. contract, in Great Britain, Austria, Belgium and Sweden, among other countries, it is the buyer's duty to procure the document but exceptions are many. Among the countries that require the seller to take out the bill of lading are Egypt, Italy (where a mate's receipt is not sufficient), Norway, France and the U.S.

Where contracts are concluded on C.I.F. basis, the general practice is that the seller is required to notify the buyer with all due despatch that the goods have been loaded on a named vessel. But this rule is not universally binding. In Australia, Denmark, Great Britain and South Africa, buyer must stipulate that the seller is to make the notification as desired. In the matter of insurance, the seller usually effects insurance at a value covering the C.I.F. price plus 10% which is presumed to be a buyer's margin of profit. But in Denmark, insurance is to be based on the 1934 Convention relating to Danish Marine Insurance. In Great Britain, a more desirable practice is to get the previous consent of the buyer as to the margin to be fixed when taking out insurance. In the U.S., the value to be insured is to be mutually agreed upon in advance.

Finding the Proper Law of the Contract

Finding the proper or governing law of a contract of Sales of Goods is always problematic. By the proper law is meant that system of law according to which the parties have agreed to be bound and a court is bound to apply on the contract. A contract of sale in international trading may often involve a number of countries and entails the interlocking of several different systems of law. For instance, an Indonesian merchant may contract with a Malayan buyer in Manila for the supply of certain goods to be manufactured in Japan and delivered to Thailand with payment of goods to be effected in New York. The Laws of eight countries are thus likely involved. If a dispute should arise between the parties, how is it to find the proper or governing law in the contract so as to define the respective rights and duties of the parties? The matter falls within the sphere of conflict of laws or private international law. The general principle is that where there is conclusive evidence that the parties have intended to be governed by the law of a certain country, a court will examine the dispute in accordance with that system of law. Merchants engaged in international trading are free to specify the law of a certain country to govern their contract so long as such choice is bona fide, lawful and not in conflict with public policy, and a law court is guided by the law which the parties have intended to apply. More often than not, no express intention as to the proper law of the contract can be found. A law court then is obliged to go into the facts and circumstances at the time of the concluding of the contract in order to determine the proper law. The court will take into account the *lex domicilii*, the law of the place where one has domicile and the *lex loci contractus*, the law of the place where the contract is concluded, and the *lex loci solutionis*, the law of the place where the duties under the contract are to be performed, before finding the proper law of the contract. It happens sometimes that a contract of sale will be subject to the interpretations of several legal systems; for example, a law court may follow the *lex loci contractus* relating to its validity and the *lex loci solutionis* its legality of performance as a contract would be judged inoperative if there should be found any attempt to avoid the law or regulations of the place where performance is to take place. When transactions are closed by correspondence or cable, to determine the *lex loci actus*, or the law of the place where a transaction is effected, is difficult. Some countries apply the law of the place where the offer is given and others the law of the

place where the acceptance is made. It must again be noted that the majority of contracts of sale in international trading has no provision for the proper law of the contract and that there is no established, uniform rules on the implied intention of the parties as to the proper law.

Unification of Trading Practice and Laws

While the mechanism of international trading has shown astonishing advances in respect of finance, transportation and communications, it is, in its legal aspect, backward and woefully inadequate to regulate the busy commercial traffic of the world. There are commendable efforts being made by international organisations towards the unification of trading practice and laws of sales.

One attempt is to unify the interpretations of the trade terms for the benefit of those engaged in international trading. The International Chamber of Commerce has drafted the definitions of the most widely used trade terms which are called *International Rules for the Interpretation of Trade Terms* or its abbreviation, "Incoterms." The latest revised rules are embodied in *Incoterms, 1953.** It is recommended that when a trade term is applied, the party should specify that such term is to be interpreted by Incoterm, 1953 eliminating thereby the possibility of much misunderstanding. Another attempt, more ambitious and having far reaching significance in international trading, is being made by the International Institute for the Unification of Private Law in Rome. The Institute came into existance in 1926 under the aegis of the League of Nations and one of its most important contributions has been the drafting of an *Uniform Law on the International Sale of Goods*. In November, 1951, the delegates of twenty-five countries and representatives of the United Nations met in Hague to discuss the unification of the law of sales, amply reflecting the existing need for assimilation of the national laws on sales and for one common legislation that would be enforceable internationally. If the Institute's draft should be widely adopted, most of the legal confusion and complexities of international sales will be swept away.

Advantage of a Written Contract

It has been attempted so far to show the divergence in the interpretation of trade practice and the difference existing among various countries regarding the law of sales keeping international trading which, in the legal point of view, is in an unsatisfactory state. Before the adoption of the drafted *Uniform Law on the International Law of Sales of Goods* becomes a reality, the only practical course of action for those engaged in trading to take is always doing business on a written contract. The general terms and conditions in a contract should be in as much detail as possible. They should be made known to the other party during business negotiation, allowing time for revision and subsequent agreement on them before the business is concluded. The desirability of a written contract in international trading cannot be too emphasized. It is recommended by lawyers and observed by many special trade organisations which have standard contract forms for the goods of their trade covering all conceivable situations that may happen to a transaction after it is concluded. The general importers and exporters will find that a written contract, if its terms and conditions are properly thought out, will avoid misunderstanding and reduce the risk of controversy afterwards. In drafting a contract, the following may be worthy of inclusions:—

1) To specify the proper law of the contract and provide that both the validity and performance of the contract are to be governed by that system of law. It is much easier to get the parties to agree on this point when entering a contract than afterwards when they are involved in a quarrel.

2) To incorporate the *Incoterms 1953* into the contract, which will cover more than half of the parties' rights and obligations. Otherwise, no provisions for the passing of the risks, charges and expenses to be borne, the responsibility for obtaining essential documents, etc. should be omitted.

3) To enumerate causes that would render the contract temporarily or absolutely inoperative. Phrases such as *"incidents or circumstances beyond the control of the seller"* are quite meaningless.

4) To provide for the allowance for or prohibition of delay in despatch, shipment or delivery of the goods. Delay in performance is a constant source of friction between the parties and it is advisable to give it full coverage, including any adjustment in the event of its occurrence.

5) To provide for the adjustments of the rights of the parties when a contract becomes incapable of performance, temporarily or absolutely, partially or entirely, owing to changed situations. Reference may be taken of The Law Reform (Frustrated Contracts) Act, 1943 in England. The Act provides for the recovery of money paid and compensation for expenses incurred or benefit given. In an international sale, provision for adjustment along these lines will remove one of the main issues arising from an unfruitful commercial engagement.

6) To provide for the settlement of dispute by arbitration. There has been enough said of the speed and economy of settling disputes by arbitration and there is every reason to include an arbitration clause in a contract. Caution must, however, be taken in the selection of arbitrators and the place where the proceedings are to be held because the standard of fair dealing and the technical competence of judging an intricate case by a private tribunal vary from country to country.

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* Published by Chambre de Commerce Internationale, Paris VIII, France.

Glimpses of Japanese Culture

Japanese Music, Past and Present

By Kiyosuke Kanetune

Outline History of Japanese Music

Japanese music is as old as Japan herself. "Koji-Ki" (Tales of Old Things), the earliest book of mythology in Japan abounds in songs which were performed in the imperial court by noblemen and serfs. Some short poems in "Man Yo Shu", the oldest collection of verses in Japan, are said to have originated as ballads of various villages, composed to suit the occasion and sung by all, regardless of social status. Some simple wind and stringed instruments such as *fue* (flutes and pipes) and *koto* (a Japanese harp) are surmised to have already been in existence, but it is still a matter of conjecture.

In the seventh century, Chinese and Korean music were introduced to Japan and become popular among nobles and priests. The new court music, now called "Gagaku", has remained apart from the common people. In "Gagaku", flutes, pipes, *koto* and drums of many kinds are used, sometimes to accompany stately dances and songs. "Gagaku" remains in the present imperial court, but how much of its original form has been preserved is not clearly known.

When the imperial court was shoved into the background by a rapidly rising, powerful samurai class, the "Gagaku" of nobles and priests began to decline and a new music appeared. This was "Heike Monogatari" (The Tale of Heike) which depicted battles between warrior clans and was recited to the accompaniment of the biwa lute. It was a music designed exclusively for warriors, not commoners, and has a high literary quality among ancient Japanese letters. The melody of the recitation as performed then has been lost but it probably resembled a rhapsody.

Shamisen & Music of the Common People

Soon afterward *Noh*, a kind of operatic play with heavy symbolism, in which *Utai* are sung, come into being. This again was performed for the Samurai, and not for the lower classes. Both "Heike Monogatari" and *utai* in Noh, contain much Buddhist influence, well accorded with the pessimistic sentiments prevailing in the war-torn conditions of that era.

The three hundred years following the 17th century, from the Tokugawa period. During this span, the *shamisen* (a Japanese balalaika) was introduced from Loochoo. In contrast to the former pattern of musical development, the *shamisen* did not spread among nobles in the court, or among samurai, but was adopted by the common people—though largely by those in the higher strata. This instrument and its music quickly achieved wide popularity. Then come also the music for marionette shows, songs, and recitations such as Nagauta, Kiyomoto and others. The *koto* which was used in Gagaku, now was coupled with the *shamisen* in these musical forms.

The history of Japanese music may thus be summarized as follows. From the nation's earliest times, Japanese working people have had folk songs which have never disappeared from Japan. The changes in music in the course of history, as in Europe, occurred only in the society of noblemen, priests, warriors and rich merchants. Except for "gagaku", vocal music predominated.

The texts of the vocal music, with the exception of "Heike Monogatari", had little literary value. A limited number of different instruments were used for accompaniment. "Gagaku" required many musicians, but they played only *fue* (flutes and pipes) and *koto*. Lack of an early development of the machine industry in Japan is probably an important factor in the slow appearance of advanced musical instruments. And without a musical instrument with a key-board like a piano, for example, there was no convenient way to describe musical notes. "Gagaku" alone has something of a system of musical notation but it is only a simplified adjunct to the player's memory. There is, therefore, no history of Japanese music itself in the sense of notation preserved through the centuries.

For those who wish to know how music has developed in Japan, this is indeed a fine mess of affairs. Lack of facilities for an historical study of Japanese music becomes marked when you compare Japan with Europe where such old manuscripts as the Neumen and Mensural notations greatly help you in the research of the early development of music. Little can be determined how much Gagaku and Noh differ from their ancient prototypes. Our old folk songs remain now only in fragmentary quotations literary volumes, and their melodies have been completely lost.

How has music developed since the Meiji Restoration? As Gagaku was introduced from Korea and China in the seventh century, European music came into Japan after the Meiji era. In the beginning, there were only military bands and simple songs taught in primary schools. Most of the people at that time seem to have payed attention to the newly imported European music merely out of curiosity.

The great earthquake in 1923 marked the beginning of the new period. Beethoven's Ninth Symphony was played in Tokyo for the first time. Then an all-Japanese symphony orchestra was formed. Many factories started to produce musical instruments, and famous musicians from abroad began to perform here. European music was now being played enthusiastically over the radio. Thus Japan began to rank with other countries of the world in its appreciation of Western music. The ears of young people in urban areas have become accustomed to musical techniques and harmony which had never been heard in Japanese music. The last war brought great losses of valuable pianos and organs, which, however, have been replaced in the ten years since. The production of Western musical instruments has not reached a new high. There is a good possibility that the Japanese will soon compose their own European music.

Japanese Music—Folk Songs & Rhapsodies

When one speaks of traditional Japanese music, one probably thinks of the music created up to the Meiji era, of which the folk songs seem to be the best examples. Compared with such world-famous Scotch add Irish songs as "Auld Lang Syne" and "The Last Rose of Summer", Japanese folk songs are about half as long and may create a feeling of incompleteness. Unlike English and German, there are many vowels and few consonants in Japanese. Furthermore, many Japanese folk songs are rather slow in tempo, and their melodies are elusive to ears accustomed to European folk songs. Because of their slowness and long, sustained vowel sounds, Japanese folks songs are said to be melancholy. There are no military songs with stirring tunes in Japanese folk music. They are

all songs of common people in peaceful life. We have nothing like "La Marseillaise" or "Die Wacht am Rhein".

Many Japanese folk songs such as "Kuroda Bushi", "Oiwake Bushi", and "Ina Bushi" have beautiful, sentimental melodies. The Japanese Broadcasting Company (N.H.K.), in a Herculean effort, collected about 2,000 old folk songs remaining in Japan and has published them with European musical notation. Whether all Japanese folk songs can be transcribed into the tempered scales of European music is still a difficult question and one which demands our close attention. Otherwise, these folk songs will be lost with the change of the times. Apart from the problem of transcribing them into musical notes, if the actual tunes as they are sung are recorded by N.H.K., the records would be indeed a magnificent museum of our traditional music.

Most Japanese music other than folk songs, is in the form of rhapsodies rather than songs. The most common verse form in English poetry is called common meter for which there is a counterpart in Japan. It is called the seven-and-five syllable meter, used for many verses, in which one line consists of seven and then five syllables. Since the texts are written in the same form, reading them produces a similar pattern of speech melody which is the basic melodic structure of most songs. Restricted to this form, there is little chance for melodic variety.

In the absence of musical instruments with keys, such as pianos, musical scales can never be clearly defined. Roughly, the melodies of Japanese folk songs consist of five or six tones of one octave of the diatonic scale. A casual hearing gives the impression that they are in a minor rather than a major scale. Yet they are melodies that are uniquely Japanese—like Nagauta, kiyomoto, tokiwazu and other rhapsodies, sung to the accompaniment of a *shamisen*. Their stories are based on the life of common people in Yedo.

Music in the Homeric era is also regarded as rhapsodic rather than in the form of songs. The music for *shamisen* in the Tokugawa period can be properly described as rhapsodies based on the life of peaceful commoners rather than of the blood-thirsty avengers of the Trojan war. The part of Japanese music that can be termed songs are only folk ballads. Musically beautiful melodies can be found in the rhapsodies, but they are quite rare.

At present we can still hear most of Japan's ancient music over the radio, at recitals, at Japanese theatres, and at marionette theatres. But the rhapsodies such as Nagauta and Kiyomoto, like the old folk songs, are likely to be abandoned by the people as times change and remain vestigially as hobby in a corner of the society.

Japanese Taste in Music

Characteristically, certain kinds of sounds seem to appeal to the Japanese ear. In Japanese literature, such sounds as the chirping of insects, sound of the wind, the murmuring of a brook, rustling of leaves in the breeze, the tinkle of a bell, the boiling sound of a kettle, the rustle of clothes, have been described beautifully and in minute detail. Similar passages also occur in European letters, but the ancient Japanese, though primitive in their musical development, paid special attention to the sounds in nature.

Japan resembles clear-skied Italy where oranges blossom. The people try to enjoy beautiful things with their eyes. The beauty which can be appreciated only by the ear draws less attention. The art of Japan consists mainly of pictures, sculpture, architecture, and handiwork. This can be compared with Italy where da Vinci and Michaelangelo produced their master-pieces, but where there was no Beethoven and no Chopin. Italy has its music, but it is largely operatic music aimed largely at visual appeal. Italian operas are inferior to none in the world. These considerations lead us to believe that Italy, like ancient Greece, is a country of visual rather than auditory art, or a country where auditory art is greatly strengthened by visual impression. Japan is very much like Italy in this respect.

Japanese songs and musical instruments are rather primitive, but the dances which accompany them are very beautiful and graceful. First, the dancers' kimonos are themselves gorgeous in pattern and color. Numerous variations in the curves drawn by the hands and legs of dancers wearing these costumes create a soft, rich atmosphere that is one of fine features of Japanese art. This fact also makes it clear that the Japanese are characterized by a greater sensitivity to visual than auditory art.

No sooner had Japan recovered from her deep wartime wounds than she started seriously performing opera, which probably preceded any other forms of music. Although opera is a pretty expensive business, it has often been played in the big cities of Japan after the war. Although we seldom hear a symphony or a piano sonata composed by a Japanese, there are operas which have been written in this country. "Yuzuru" (Cranes in the Eve) based on an ancient tale of Japan, has been widely acclaimed.

Japan's New Music

The last war, whatever its losses may have been, was a great stimulant to Japan. The Japanese are now undergoing a gradual artistic and cultural change. Methods of education in our primary schools have changed considerably since the war. What is especially remarkable is that many children, four or five years old, are now being taught how to play a violin. The violin, usually not as expensive as a piano, is more suitable for limited Japanese incomes. The trend demonstrates the growing enthusiasm for music in Japanese society. If we expect to produce great musicians in Japan they can only be developed from among those who have familiarized themselves with music from early childhood.

An idea of mechanized reproduction of music also appeared in Japan. Twenty years ago I advocated a performance of piano music with mechanical device instead of a pianist after a series of experiments with electrical appliances just as White and Dietrich did recently in America. Many pianists raged against my advocacy. The electrical engineering in Japan now is in a very advanced stage. A mechanized reproduction of music is not a dream now. Before long Japan also will produce electric devices to perform music.

I have already described the inordinate appreciation of the sounds of nature among the Japanese. In this respect, it is interesting to note that *musique concrète* is also drawing attention of the Japanese. It is an attempt to enjoy musically a harmonious arrangement of sounds of nature. A certain Japanese composer has tried it. If a new Japanese opera with *Musique concrète* as its main feature should be produced, it would be one of the characteristics of the music of Japan.

It is said that there is no national border in art. The science and education in Japan have taken certain Japanese characteristics. Music based on human sentiments would naturally have more national characteristics. Japan seems to have considerably assimilated European music. Still, Japan ought to have the music of her own to be created out of her soil.

Ancient Japanese music has had its day. A new Japanese music is still in the making.

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Commodity Market

Cotton Yarn and Fabrics:—The market remained firm for cotton yarn and fabrics throughout February and March with the yarn prices (30s) in Osaka and Tokyo registering ¥245 and ¥240 (per lb.: current-month delivery), respectively, on March 17, both new highs. The quotations of 20s in Osaka and Tokyo were equally stiff and recorded new peaks for this year on March 1. Tokyo spot prices of yarns (A—1 grade without bobbins) on March 1 also hit new highs, with 20s quoted at ¥82,750 per bale, 30s at ¥99,500 and 40s at ¥120,000, eclipsing the corresponding marks as of the start of this year by ¥7,750, ¥11,500 and ¥21,000, respectively. The stiffening of the prices of cotton yarn and fabrics naturally served to tighten the retail prices of various cotton goods such as shirts, blouses and Japanese bath-robes (yukata). On the spur of rising prices, spinners have been hasty in selling for future deliveries. The latest rally of the cotton goods market is attributable to three major accelerators, namely: 1) the continued animation of cotton goods exports since the latter part of 1955; 2) the advent of the demand season for summer items and the consequent activity of purchases by weavers; and 3) the absence of the immediate fear of the price declines for raw cotton since the fall of CCC cotton does not appear imminent (not before August at the earliest. Despite the stiff market, however, the production curtailment rate was left intact at 12.0% for March although it was reduced to 8.0% for April. The decision of the Ministry of International Trade and Industry on the maintenance of the production cut rate unchanged into March in the face of the demand in spinning circles for the immediate alleviation is based on the following grounds; 1) the need of supply-demand adjustment in order to maintain the current export prices; 2) the abrupt confusion of the market due to the complete abolition of production curtailment and the consequent adverse effects on futures transactions and export dealings; 3) the fact that the current price levels of cotton goods are not particularly higher than those in 1954; and 4) the unstable prospects of the future supply-demand balance because of the uncertainty of the future transitions of American cotton. Meanwhile, traders agree that the cotton goods prices have neared the ceiling and no room for any wide-range elevation is apparent, although there is no fear of drastic falls.

Chemical Fibres:—The rayon filament yarn market recovered in early March on the strength of the rally of cotton goods. The short-lived lethargy of rayon filament yarn which preceded the latest comeback was due to various dampers including the end of a round of active purchases by Indonesia and other Southeast Asian countries, the lull in the purchases by domestic weavers shifting from spring items to summer items and the continued high tempo of production expansion. On the other hand, spun rayon yarn grew more bearish from early March under the impact of the prospective non-demand season in April-June with the cotton goods market recovery offering no support.

To manufacturers of chemical fibres, the high pitch of the current equipment expansion race is the biggest headache. In the case of viscose rayon filament yarn, the present daily capacity stands at 250 metric tons but a sizable expansion of about 60 metric tons is expected certain by the end of this year. Hence, the total production of rayon filament yarn is expected to jump to 183,000,000 lbs. this year as compared with 163,000,000 lbs. in 1955. On the other hand, the Ministry of International Trade and Industry considers that the annual production of 172,000,000 lbs. should be the limit consumable on the basis of the domestic demand and exports in prospect for this year. In the case of spun rayon yarn, the 1954 output of 462,000,000 lbs. climbed to 550,000,000 lbs. in 1955 and a further hike to 759,000,000 lbs. is believed likely in 1956. With a bulky surplus in production thus certain, MITI is desirous of having the manufacturers to resort to some self-restrictive measures in their equipment expansion race, but so far almost to no avail.

Woollen Yarn:—It was all quiet on the woollen yarn market from late February through March, as the overseas wool quotations continued stable and there were no appreciable changes in exports and domestic demands. The latest report that the United States was considering the elevation of import duties on woollen fabrics forced Japanese woollen goods exporters to call an emergency meeting to study counter-measures. The confab, however, reached no important conclusion, except that it decided to raise the standard export prices of woollens without placing any restrictions on the volume of exports. Japanese woollen circles are demanding the volume of raw wool imports this year to be kept at the 1955 mark of 750,000 bales. MITI, on its part, however, is reported planning to boost the import goal to 850,000 bales in consideration of the Anglo-Japanese payments agreement and because of the improved balance of international accounts.

Raw Silk:—The raw silk prices (current month delivery) continued to move around the ¥1,900 mark, and the volume of Government purchases at the minimum price (¥190,000 per bale for 20/22A) under the Raw Silk Price Stabilization Law has been on the steady increase. As of March 17, 2,142 bales were held in Government warehouses and 4,670 bales were held by the Japan Raw Silk Export Custody Company or a combined total of 6,812 bales. The raw silk purchase fund appropriated under the Raw Silk Price Stabilization Law amounts to ¥6,400 million (enough to purchase 33,000 bales) and there is apparently little fear of the exhaustion of the fund. It seems that the Government plans to keep the minimum price intact throughout the 1956 silk year (June, 1956 to May, 1957) and also to adopt a similar minimum price system for cocoons.

MAJOR TEXTILE QUOTATIONS

		Cotton Yarn (Osaka)	Rayon Yarn (Osaka)	Spun Rayon Yarn (Osaka)	Woollen Yarn (Nagoya)	Raw Silk (Yokohama)
Dec.	3	190.1	209.5	150.0	1,023	1,929
	10	189.2	210.5	147.9	1,007	1,920
	17	187.1	224.5	145.9	976	1,941
	24	180.9	228.0	145.1	994	2,000
	28	179.0	234.9	145.9	987	1,975
Jan.	4	179.0	238.9	147.1	989	1,969
	7	177.1	236.2	147.6	980	1,950
	14	180.0	245.4	153.9	987	1,940
	21	183.0	241.1	153.0	996	1,935
	28	184.5	232.9	148.3	985	2,925
Feb.	4	188.9	223.1	148.7	998	1,239
	11	190.7	227.1	145.9	1,007	1,909
	18	192.6	224.6	142.1	996	1,901
	25	186.0	219.9	135.8	1,030	1,909
Mar.	3	189.5	215.4	138.5	971	1,909
	10	193.6	222.3	136.5	966	1,905
	17	201.9	230.8	136.0	980	1,904

Labor

Spring Offensive Misfires:—The spring labor struggles for higher pays now face a new phase after a rather poor showing of gallantry on the part of labor. At the start, the struggles were sung about as one of the most elaborately planned and most firmly united labor offensives of government and private workers. It turned out, however, after a series of rather unimpressive skirmishes, that the united front was not so firmly united after all.

For example, Fuji Photo Film walked out on Gokaroren (Federation of Synthetic Chemical Industry Workers Unions) on February 24 to accept the ¥2,200 offer. Out of Shitetsuroren (Japan General Federation of Private Railway Workers Unions), traditionally one of the most militant of labor organizations, Tokyo Express Railways, Keihin Railways, Teito Transit and Keio-Teito Railways decamped to accept ¥900 pay increase, followed by Keisei Railways.

Gov't. Workers & Mediation Offer:—On February 29, the Public Corporation Mediation Committee offered its mediation formula to the Japanese National Railways, the gist of which is as follows:

1. All concerned should strive with all their power for better business results in order to raise basic wage levels.
2. Management should provide workers with a lump sum of ¥5,000 per capita.
3. Management should put aside enough wherewithal to carry out the regular pay raise 100 percent.
4. Seasonal allowances (mid-year & year-end) should reach the government workers' levels, that is 2.25 months amount.

The above mediation offer could be construed as a victory for the labor in that it recognizes the necessity, if not now, of wage level hikes, and the propriety of the 100 percent regular pay raise (80% up to now) and of the 2.25 months amount of seasonal allowances. The formula, however, could also be construed as a boon to the management in that it delays the date for pay level hikes far into the future and that the management could use the increase in the lump sum allowances as a deterant to the labor's year-end struggles, as the union lost its perenial pretext that the government workers are worse off.

From the uninterested stand-point of a third party, the mediation formula seems to be more favorable to the labor than to the management, as the over-all "no" answer was generally expected. The union, quick to see their point, accepted the offer on March 5.

Mediation offers something like that sent to the National Railways were also presented to the Telegraph and Telephone Corporation, the Monopoly Corporation and five other government enterprises (alcohol, communications, forestry, printing and minting) in the early part of March and the unions were all willing to accept.

Hard nut-*Tanro*:—Obstinately against this tidal wave of "Operation Mediation", management and labor of the coal mining industry are bitterly locked in a fight whose outcome is strictly anyone's guess.

To back its average ¥2,000 pay level raise, *Tanro* (Japan Coal Miners Union) insists that: 1) while in the foreign countries, coal miners are enjoying the highest level of income, in Japan just the reverse is the Gospel-truth; 2) the productivity in the coal mines increased from 6 tons per month per capita in 1948 to the current 14 tons per month per capita; 3) the management is using most ignominious tricks in accounting to feign adverse business results.

Management, on the other hand, is trying to convince the miners that: 1) although the basic monthly pay is not higher than in other industries, coal miners are getting additional ¥3,000 a month in the form of free housing and other welfare facilities; 2) while the labor sets the current productivity figure against 1948, when the productivity was at its all-time low, management could not concur with this view. The current productivity is still only 70% compared with the pre-war figure; 3) management is playing with no tricks as labor charges.

Although labor has some good points in the dispute, the general concensus would be that any pay level hike is out of the question, seeing that the most influential eighteen coal mining companies still have ¥60 billion debts between them and that the cases of wage payment failure have been most frequent among the coal mining industries.

The reason why labor has always been adamant despite these clearly adverse circumstances is that it has been able to stage "sectional strikes", a weapon granted only to the coal miners. For example, labor can cripple all the mining activities by simply refusing to turn a hoisting machine. Thus, labor is able to inflict terrific damage upon the company with only a handful (around 1%) of workers failing to draw the regular pay. This has long enabled labor to stage a long-winded strike with final victory almost assured from the start.

This time, however, it is management's turn to get tough. All the coal mining companies declared on March 14 that they would carry out over-all lock-out (from March 19 on) until unions relent. The reason why management could not resort to the expediency earlier was that unions' threat that they would pull out even the maintenance personnel out of the mines. Thus, management, fearful of gruesome consequences such as flooding, filling of gas and eventual explosions, always relented. This time, however, the situation is rather different. Managements of all coal mining companies are firmly united and challenged labor to dare pull out the maintenance personnel. At this firm stand, it is labor's turn to back down. Tanro declared on March 14, late in the evening, that it would not pull out the maintenance personnal.

Harsh Vox Populi:—Thus, the united spring offensive, so much sung about in the last part of 1955 and the early part of the current year, now seems to have crumbled down in hardly a gallant manner. To these who have a semblance of common sense, the struggle was ridiculous one even before it started. To ask a uniform ¥2,000 pay increase out of industries so varied in nature, so different in scale, and so diverse in prosperity is bound to fail. It must be said that the struggle followed one of the most natural ways on the top-side of the earth.

The current labor struggles have also aroused a general public indignation. In the poll conducted by the Yomiuri Newspapers, only 4% out of 380 opinions was for the wage hike, while opinions gathered by the Asahi Newspapers revealed that most of them were against Government workers' struggles stating that public workers are already better off, although there were more sympathizers with the private unionists' demands.

The current fiasco of *Sohyo* clearly shows that, barring people's support, even *Sohyo*, mighty as it is, cannot make itself a success.

Foreign Trade

February Exports Increase

Exports in February totalled $187 million, surpassing January by $37 million (25%). Imports amounted to $221 million, slightly over January. The balance was thus favorable at $34 million. Compared with February 1954, exports and imports during February 1955 both increased by about 27%.

Major items in exports during February were: cotton cloth ($24 million), ships ($24 million), iron and steel ($16 million), fish and shell-fish ($10 million), garments ($8 million), spun rayon cloth ($7 million) and rayon cloth ($7 million). A marked increase took place in ships (118%), sewing machines (60%), rayon cloth (59%), chemical fertilizers (51%), etc. A decrease was seen in: tea (56%), rayon yarn (51%), plywood (14%) and iron and steel (11%). The decrease in tea was a usual seasonal decline.

Increased in imports were: wheat (56%), scrap iron (32%), hard and bast fibres (20%), sugar (19%), phosphate rock (9%), soy beans (7%), etc. Decreased in imports were: rice (14%), barley 31%), wool (15%), non-ferrous metal ores (50%), petroleum (2%), hides (19%), lumber (7%), etc. The decreases, however, came on the rebound to large amounts of imports in these commodities rushed into Japan during December 1955 and January 1956. In view of the tendency toward prosperity in our manufacturing industries, imports will probably tend to increase.

February Foreign Exchange

Foreign exchange receipts during February totalled $254 million, up over the previous month by $16 million. Foreign exchange payments amounted to $210 million (an increase over January by $1 million). The receipt excess therefore amounted to $44 million, an increase by $14 million over the previous month.

Foreign exchange receipts for exports amounted to $192 million, an increase by $11 million over the previous month, ranking next to $198 million of December 1954, the highest record in postwar. Foreign exchange receipts by exports averaged monthly in 1954 $163 million, and in February 1954 reached $133 million. The exports boom appeared especially in textiles (to Indonesia in particular), canned food (to England), iron and steel (to Argentina, etc.

Foreign exchange payments for imports during February increased for sugar, wool, etc., but decreased for soy beans, scrap iron, etc, totalling $178 million (a decrease by $2 million from the previous month).

Foreign exchange receipts for exports totalled $1,902 million up to the end of February during fiscal 1955 (April 1955—March 1956). Foreign exchange payments for imports during the same period reached $1,783 million. The favorable balance was $120 million. The total foreign exchange receipts in fiscal 1955 amounted to $2,583 million, and the total foreign exchange payments to $2,098 million, favorably balancing at $485 million ($183 million over fiscal 1954). Thus the total receipt excess will exceed $500 million by the end of March 1956 (it totalled $344 million in fiscal 1954).

Special Procurements in 1955

1955 (Jan—Dec.) saw its total foreign exchange receipts reach $2,668 million, of which 21%, $559 million was for special procurement. The foreign exchange receipts for the 1955 special procurement declined by $44 million (7%) from 1954. The percentage of the 1955 special procurement in the total foreign exchange receipts also declined compared with 26% of 1954 and 38% of 1953. The decline shows that Japan is getting less dependent upon special procurement.

The breakdown of the 1955 special procurement shows a big decline in the Credit to Limited Depository Accounts to U.S. Forces and a large increase in ICA purchases. The Credit to Limited Depository Accounts to U.S. Forces means payments for services to and material purchases by the U.S. Forces in Japan and Korea. The decline in this category was due to the decrease in orders for arms from the U.S. Forces. ICA purchases, on the other hand, reached nearly three times those of 1954, exceeding $700 million. This signifies an increase in the American aid to the South-East Asian countries. It was also this increase that prevented the decline in special procurement receipts from becoming as sharp as was expected at one time. Special procurement receipts as a whole, however, will inevitably decline because ICA purchases totalled relatively in a smaller amount than Credit to Limited Depository Accounts of U.S. Forces and other items and those bigger items tend to decline constantly.

SPECIAL PROCUREMENT RECEIPTS

(In million dollars)

	1953	1954	1955
Total Foreign Exchange Receipts (A)	2,120	2,309	2,668
Special Procurement (B)	812	603	559
Yen Sale to Foreign Military Forces	323	313	287
Credit to Limited Depository Accounts to U.S. Forces	456	245	194
Transfer of Receipts for Construction in Okinawa	9	3	2
Other Expenditure of Foreign Military Forces	2	7	3
ICA Purchases	17	25	70
UNKRA	3	2	1
Payments by French Military Purchasing Mission	3	7	3
B/A (%)	38.3	26.1	21.0

Anglo-Japanese Trade Talk

An Anglo-Japanese Trade Talk started on March 7, 1956 to settle the volumes of trade between Japan and the Commonwealth during the period between April and September (1956) which had been left over since the last Anglo-Japanese trade talk in October 1955. The main outlines of the agreements reached during the last talk include: (1) Japan's imports from the sterling countries should balance with her exports to the same area so that Japan's sterling holdings should not increase unduely; (2) the trade agreements were settled for the period between October 1955 and March 1956, and the annual volumes of trade are to be settled only between England and the Commonwealth and Japan; (3) and Japan was to frame the amount of the sterling in the foreign exchange budget for the period October 1955 and March 1956 to be £127.5 million.

During October through December 1955 Japan's sterling receipt excess over payments totalled £8.5 million (receipts £72 million; payments £64 million). Together with the receipts excess during January, the sterling receipt excess totalled £15.5 million. The sterling usance, however, amounted during October 1955 through January 1956 to about £12 million. So Japan's sterling holdings substantially remained on the same level at the time of last trade talk. This shows that the main

purposes of the last talk have been achieved. Moreover, Japan faithfully followed the stipulated course concerning foreign exchange budget and the automatic approval system. Consequently the present talk focuses its attention on the trade volume during the period between April and September 1956, especially the volume of sterling imports into Japan. The talk would smoothly reach a satisfactory conclusion unless England demands unduly in this respect.

Trade Talk with Pakistan

Japan started a trade with Pakistan in Tokyo on March 13, 1956. The purpose of this talk is to contract a new trade agreement with Pakistan to replace the Japan-Pakistan trade agreement formed in September 1954 and expired in January 1956. The talk, however, will likely to proceed with difficulty to reach an agreement to expand trade between the two countries for the following reasons: (a) as the competition between Soviet Russia and the United States in their economic aids to the South-East Asian countries, their aids tend to decrease trade outside of their aids; (b) the growing industrialization in Pakistan will afford Japan little chance of exporting cotton products especially in low grade quality; (c) Japan's textile machinery exports to Pakistan which enjoyed a considerable boom during the recent years now stopped increasing.

The one-way volume of trade in the last agreement during the year starting with September 15, 1954 was planned to amount to £28 million. The actual trade volumes until the end of January 1956 from that date amounted to £18.8 million in Japan's imports (mostly cotton) and exports £18.2 million. These figures were far below the goal in the agreement.

Relaxation of Restrictions on China Trade Demanded

Japan International Trade Promotion Association formulated a memorandum to demand U.S. Secretary of State John Foster Dulles on his arrival in Japan on March 18, 1956, relaxation of trade restrictions with China. The memorandum explained and urged: (a) Japan's prewar exports to China once recorded 34% of her total exports and imports from China 17%. The restrictions on trade with China since Korea reduced the volumes of trade with China during 1955 to 1.5% of the total in exports and 2.7% in imports (1934–36 average amounted in exports to 18% of the total and 12% in imports); (b) What Japan needs from China are important raw materials for her key industries, which Japan has now to buy from other places at a great disadvantage. For instance, Japan now imports coal at a price $17 higher per metric ton than would be from China; (c) In October 1955 Japanese Trade Mission made a contract with China to export non-strategic materials amounting to $25 million, only 37% of which have been realized on account of the restrictions; (d) The trade restrictions caused near bankruptcies among some enterprises in the wooden shipbuilding industry. It is not China but Japan that is sustaining losses because of the trade restrictions. The memorandum urged Secretary Dulles to relax immediately the trade restrictions to strengthen the mutual trust and cooperation between Japan and the United States.

Japan-China Trade Association on March 15, 1956 made up its plan for the next (fourth) trade talk with China. The outlines of the plan are: (1) the trade volume in one way will be £43 million (£30 million for the third trade contract), and items on the CHINCOM list are to be excluded; (2) Trade items are to be classified into three groups (A,B,C) as before, but most items in B and C groups are to be put on a general barter basis.

Reparations & Trade with Philippines

A memorandum for agreement was concluded on Japan's reparations for the Republic of the Philippines on March 1, 1956.

Japan's reparation with the Republic of the Philippines started when the President Magsaysay proposed in the summer of 1955 in the following terms:

(1) The total value of reparations amounts to $550 million (involving capital goods $50 million, pesos in cash $20 million, and service $20 million). (2) Japan must pay the $550 million reparations during 20 years, $250 million during the first 10 years and $30 million during the remaining 10 years, and the first $250 million should include $20 million in cash. (3) Japan shall offer $250 million of long-term loans to the Republic of the Philippines for development projects.

The March 1 memorandum proposes the above Magsaysay plan to be amended as follows: (1) a million in cash in the Magsaysay plan shall be paid through payments for Japan's manufacturing. (2) The $550 million reparations shall be separated from the $250 million loans, and the Japanese government shall not have obligations to guarantee loans in trade.

On the other hand, there was a strong demand in the Liberal-Democratic Party, which is now the government party, to get a guarantee for trade expansion from the Republic of the Philippines as a condition for concluding the reparation agreement. The demand was based on the following reasons. (a) Japan's trade with the Philippines at present balances unfavorably with $40 million of exports and $80 million of imports, (b) Japanese goods have a scanty chance to make inroads into the Philippines now under the preferential duties agreement with the United States, (c) Under these circumstances, if Japan should pay $80 million reparations, ordinary exports should further decline and the balance worsen. In view of the demand in the Government party, the Government dispatched Mr. Aiichiro Fujiyama, head of Japan Chamber of Commerce and Industry, as a special envoy of Prime Minister Ichiro Hatoyama to Manila on March 15, 1956 to negotiate with the Philippine government to expand trade.

Insurance for Overseas Investment

Investment and technical aids abroad by Japan have been increasing since 1954. To meet this situation, MITI proposed an amendment in the law for insuring credits for exports. The main points of the amendment can be summarized in two items. (1) The insurance hitherto applied to payments in arrears for plant equipment exports shall also be applied to payments for construction business and technical assistance abroad. (2) An insurance system shall be put into force to cover losses in the following circumstances: (a) when stocks abroad held by a Japanese are confiscated or otherwise seized by a foreign government, (b) when overseas enterprises to which an investment has been made are disbanded because of war, whether civil or international, (c) when enterprises overseas stop operating for a certain length of time during which stocks held by a Japanese in them are disposed of for the same reason.

Japan-Sweden Trade Agreement

A new trade agreement was concluded between Japan and Sweden on March 23, 1956. The present payments agreement between the two countries based on the open account system, signed on March 5, 1952, will terminate on April 14. As from April 15, payments will be made in Swedish Kronor or in transferable pound sterling. The Japanese Government will admit imports into Japan from Sweden on a non-discriminatory basis as from the sterling area, while the Swedish Government will accord to imports from Japan the similar treatment as is accorded to imports from OEEC countries. This is the first case where the same principle of liberalization of importation is applied to Japan by a country in OEEC as to member countries.

Investment Outlook

Nine Power Firms

The nine regional electric power supply companies have continued to fare well with the maintenance of the present 12% dividend in the next term considered possible. Business results of the nine concerns, however, are not necessarily uniform and the gap between them in earnings has apparently widened in recent years.

Comparative Merits : — Before proceeding further, a scrutiny of the status quo of the nine leaders (as shown in Table 1, inclusive of capital, generation equipment, power sales and business incomes) will clarify the sharp differences.

The combined total of generation equipments which amounted to 8,400,000 KW at the time of the inauguration in 1951 increased 2,560,000 KW (over 30%) to 10,975,000 by the end of September, 1955 while capital swelled nine fold during the same period. Kansai Electric Power tops the list both in capital and generation equipment. The capital given in the table is the new total after the third capital expansion due to be enforced in April, this year. Tokyo Electric Power ranks next to Kansai in capital and equipment, although the former eclipses the latter in the size of hydroelectric power generation equipment and the amount of sales. The positions of Kansai and Tokyo are outstanding as their customers include densely-populated areas where the demands for electricity are incomparably huge. Of the remaining seven concerns, Hokuriku Electric Power recently enforced the fourth capital expansion to boost its capital somewhat unsoundly in consideration of its business scale. Hokuriku Electric Power and Tohoku Electric Power are the typical enterprises depending on water power generation, The generation costs of those two companies are comparatively low while industries operating in the areas they are catering to are confined to those replying on cheap electricity. Moreover, demands for electric light are comparatively small in the areas concerned and hence demands as a whole are unstable. Tohoku Electric Power is particularly handicapped as it lacks any specific consumption centres.

Business Results :—The current electricity charges have remained unchanged since the last revision in October, 1951. At the time of the last revision, strong opposition was raised and new rates were cut several times. Of the various cost factors constituting the revised charges which were cut, the personnel and repair expenses cuts were feared to affect the incomes of the power concerns markedly. The outcomes were not particularly bad, as the business results after the said revision (for the terms ending March and September, 1955, respectively) continued to remain fair. In the case of the half-year term ending September, 1955, for instance, the combined net profits of the nine power companies totalled ¥4,193,000,000 and the dividend rate remained intact at 12%. During the term under review, some ¥6,000,000,000, as surplus profits in excess of estimates, were set aside in the form of the special reserves for the low-water season and for depreciation, and some ¥3,300,000,000 more was appropriated for repair expenses. The unexpectedly fair results for the term were due to the particularly plentiful supply of water during the high-water season as well as the low market prices of coal. Equally responsible were the steady lowering of the loss rate and the elevation of the thermal power generation efficiency resulting from rationalization. The fair results of the term, however, were not uniform for all the nine concerns, although they managed to give the equal 1.2% dividends. Table 2 shows the different amounts of surplus profits reserved by the nine firms for repairs.

1. BUSINESS SCALES OF 9 LEADERS

Companies	Capital (Million yen) Total	Generation equipment (1,000 KW) (Hydro) %	(Thermal) %	Power Sales Million K.W.H.	%	Business incomes Million yen	%
Hokkaido	3,000	495 (64)	(36)	1,564	(3.9)	9,597	(4.5)
Tohoku	8,000	1,135 (99)	(1)	4,585	(11.6)	18,389	(8.6)
Tokyo	13,140	2,157 (75)	(25)	9,741	(24.6)	50,063	(23.3)
Chubu	9,000	1,357 (66)	(34)	5,093	(12.9)	26,185	(12.2)
Hokuriku	5,000	601 (98)	(2)	2,761	(7.0)	9,275	(4.3)
Kansai	13,520	2,594 (55)	(45)	7,296	(18.4)	47,555	(22.1)
Chugoku	5,467.5	808 (53)	(47)	2,417	(6.1)	16,726	(7.8)
Shikoku	2,700	372 (71)	(29)	1,368	(3.5)	7,817	(3.6)
Kyushu	7,182	1,455 (42)	(58)	4,808	(12.1)	29,135	(13.6)
National total	67,009.5	10,675 (66)	(34)	39,633	(100.0)	214,742	(100.0)

Notes: As of the end of September, 1955; Capital after last expansion programs announced; Sales and business incomes are for fiscal 1954.

2. SURPLUS PROFITS

Companies	Repair Expenses in excess of original plans	Surplus Profits reserved
Hokkaido	212	498
Tohoku	(↔) 29	4
Tokyo	895	1,118
Chubu	57	1,079
Hokuriku	198	(↔) 84.5
Kansai	1,173	2,304
Chugoku	366	158
Shikoku	198	195
Kyushu	223	687
Total	3,293	5,958.5

Note: All figures for the half-year term ending September, 1955.

As shown, Kansai Electric Power garnered the largest surplus profits well exceeding ¥2,300,000,000 with Tokyo Electric power coming next with ¥1,100,000,000 and Chubu Electric Power ranking closely third with ¥1,080,000,000. On the contrary, Hokuriku Electric Power registered a loss of ¥84,000,000 in surplus profits depending to that extent on the net profits while Tohoku Electric Power had only ¥4,000,000 as surplus profits. In the case of Hokuriku, the repair expense was increased by nearly ¥200,000,000 in excess of the original appropriation and thus made up for the loss in surplus profits, but Tohoku was compelled to cut the extra repair expense by ¥29,000,000 and was still unable to appropriate any noteworthy surplus profits. The situation is also clarified in Table 3.

3. INCREASES OF DEBTS

(Million yen)

Companies	Net Increases of Fixed Assets	%	Increase Rates of Debts %
Hokkaido	2,818	(6.6)	84.1
Tohoku	3,600	(3.8)	101.0
Tokyo	13,608	(8.3)	52.1
Chubu	9,682	(9.8)	75.1
Hokuriku	2,521	(6.1)	44.1
Kansai	9,749	(5.9)	21.0
Chugoku	3,386	(5.6)	54.6
Shikoku	1,679	(5.6)	25.9
Kyushu	6,349	(6.7)	63.8
Total and average	53,392	(—)	55.9

Note: For the term ending September, 1955. The increase rates of debts are those of debts (debentures and loans) against the net increases of fixed assets.

In the case of Kansai Electric Power, equipment investments amounting to ¥9,750,000 were made during the half-year term ending September and it depended on loans from outside sources to the extent of only 21.0%. The debts of Hokuriku Electric Power were comparatively small as it expanded capital before other firms. The increase rate of debts against the increase of fixed assets was the highest for Tohoku Electric Power, indicating the financial difficulty it stood.

Table 4 showing the internal reserves of the nine power firms as of the end of September, 1955 also serves as an accurate yardstick of their comparative positions. In the list, Kansai is outstandingly fair with Tokyo and Chugoku following and Hokuriku and Tohoku taking the rear.

In final analysis, Kansai and Tokyo are the strongest yield drawers. At the Tokyo Securities Exchange, the shares of Kansai and Tokyo have maintained the ¥720 mark with the yield well at 8.3% at the current dividend rate of 12.0%.

4. INTERNAL RESERVES

	Internal reserves (Million yen)	Against total assets (%)
Hokkaido	1,204	2.4
Tohoku	1,688	1.6
Tokyo	4,902	2.6
Chubu	2,903	2.5
Hokuriku	901	1.8
Kansai	7,183	3.9
Chugoku	1,542	2.2
Shikoku	811	2.3
Kyushu	2,706	2.4
Total and average	23,845	2.6

5. POWER SHARE PRICES

	¥500 share in Yen
Hokkaido	613
Tohoku	617
Tokyo	718
Chubu	698
Hokuriku	600
Kansai	720
Chugoku	650
Shikoku	635
Kyushu	643

Flour Companies

Flour has been bad off for these several months under the impact of a bumper rice crop last year. The latest (mid-March) standard market price of wheat flour stood at around ¥960 per bag.

"Big Two":—Nisshin Flour Milling and Nippon Flour Mills are the two outstanding millers, although the four firms (Showa Sangyo and Nitto Seifuni n addition to the above named) cater to the domestic market.

1. RESULTS OF FOUR MILLERS
(In million yen)

	Sales	Profits	Profit rates (%)	Dividend rates (%)
Nitto:				
Sept., 1954	16,278	266	66	20
March, 1955	16,068	268	67	20
Sept., 1955	16,676	263	66	20
Nippon:				
Sept., 1954	12,177	206	86	25
March, 1955	11,425	197	55	20
Sept., 1955	12,389	205	57	20

Dividends:—Despite the comfortable slips of the sales during the half-year period ending March, this year, the "Big Two" are expected to have maintained the results achieved in the preceding term (that is 13,500,000 bags for Nisshin and 10,500,000 bags for Nippon). On the other hand, they are likely to sustain some heavy blow from the decline of the market prices. Hence, a certain cut of dividends is feared inevitable. The past accumulation of profits, however, will enable the "Big Two" to take some steps not to disappoint their shareholders. Particularly noteworthy in this respect is the marked under-appraisal of inventories (both finished products and raw materials). In the case of Nisshin for instance, the under-appraisal is estimated to reach around ¥50,000,000. This may well be utilized for covering the drop in profits.

Nisshin gave a 25% share dividend at the end of September, last year, and hence it is likely to cut the dividend rate by four per cent to 16.0% for the term ending March this year, but the actual dividend receipt by shareholders thus remains at 20.0%. Nippon, in view of its competition with Nisshin is not expected to cut its dividend rate and is likely to give a share dividend for the term ending September this year which marks the 60th year anniversary of its founding. The current share prices of Nisshin and Nippon have already climbed to the limits of their yield capacities. Hence, in the case of Nisshin, a dividend cut to 16.0% will mean a corresponding slip of the yield and resultantly will force the share price down. The shares of the "Big Two" are fair for long-term investment, but new investors had better wait for the next fall of their prices in the market.

2. INVENTORIES (END OF SEPT., 1955)

	Quantities (M. tons)	Appraised value (Yen per ton)
Nisshin:		
Flour	21,187	42,817
Bran	4,184	23,110
Wheat	40,155	35,426
Nippon:		
Flour	19,768	45,193
Bran	2,980	23,005
Wheat	24,686	35,551

Book Review

Japan Bibliographic Annual 1956: *The Latest List of Old and New Books on Japan in English. by Katsuji Yabuki, 318 pp., Hokuseido Press, Tokyo, ¥900 ($6.00 abroad).*

THE BOOK. This annual contains almost exhaustive and accurate informative materials for those who would find this sort of publication most valuable as an unerring and constant guide. It gives a list of nearly 3,600 books on Japan by Japanese and foreign authors.

The oldest book listed in the annual is *The Voyage of Captain John Saris to Japan, 1613*, which was edited by Sir Ernest Mason Satow from the notes of travel that Saris penned for Sir Francis Bacon in 1617.

Among the last books listed are *The Landscape Painting of China and Japan*, by Hugo Munsterberg, *Hiroshima Diary*, by Michihiko Hachiya, and *Some Prefer Nettles*, by Junichiro Tanizaki.

The Appendix has a classified list of about 300 postwar articles that have appeared in Japan's two best quarterlies.

THE CRITICISM. The editor of a bibliography performs, in a way, a thankless task. Like book-keeping, proof-reading or anything that commands the result to be just correct as a matter of course, the editor struggles against the constant menace of committing a single error in what it contains. This Mr. Yabuki has done and done it admirably as a glance of his annual will testify.

The mission of a bibliography becomes manifest when one comes to think what a weighty part it undertakes in perpetuating the preservation of cultural works in assisting an international cultural exchange. To one who has no interest in the book, it is merely a list of books, but to one who needs this sort of guide in his cultural work it looms large as a valuable asset indispensable in his daily work.

Mr. Yabuki has spent four and a half years to complete his bibliography, and the result well pays his tedious labor. It seems to be the best of the kind on the market so far, for in it are found many good books that are not listed in *A Selected List of Books and Articles on Japan in English, French and German, 1954* compiled by Hugh Borton of Columbia University, and three other distinguished American scholars.

Among such good books are: *The Land of the Morning*, by William G. Dixon, *Japan in Transition*, by Stafford Ransome, *My Japanese Wife*, by Clive Holland, *Japan: A Record in Colour*, by Dorothy Menpes, *Mountaineering and Exploration in the Japan Alps*, by Walter Weston, *The Makers of Japan*, by J. Morris, *Home Life in Tokyo*, by Jukichi Inouye, *Japan's Foreign Relations, 1542-1936*, by Roy Hidemichi Akagi, and *Some New Letters and Writings of Lafcadio Hearn*, by Sanki Ichikawa.

As Mr. Yabuki's bibliography is to be enlarged yearly with new additions, it will sustain its inherent quality of its being the head taller than similar publications. (*Y. Morri*)

Japanese Proverbs (*Tourist Library Series, Vol. 20*), *by Rokuo Okada. Japan Travel Bureau, Tokyo, 213 pp. incl. 43 black-and-white drawings, ¥400, Japan, $2.50 abroad.*

Though experienced English-speaking writers do not like to use familiar expressions from books of quotations, they have found Japanese proverbs to be the best means for clarifying the Japanese mind when they write and talk about Japan.

It seems, however, that their knowledge of Japanese proverbs is limited to those included in *The Oxford Dictionary of English Proverbs* and *Benham's Book of Quotations*.

Full-fledged scholar of the English language, the author Mr. Okada has selected for his new book more than 500 Japanese proverbial expressions from among 30,000 in current use.

In explaining those expressions, the author often compares them with similar foreign ones. For instance, *Tsuno o tamete ushi o korosu* (To kill an ox in an attempt to straighten its horns) is compared with a quotation from Bacon, "The remedy is worse than the disease". Another Japanese proverb, *Ryuto-dabi* (A dragons's head and a serpent's tail) is accompanied by lines from Thomas Paine, "As he rose like a rocket, he fell like the stick." (*K.Y.*)

Igirisu no Si, Nihon no Si (*English Poetry, Japanese Poetry*) (*In Japanese*) *Hokuseido Press, Tokyo. pp 377 ¥550 by Kiyosuke Kanetune and Tamako Miyauti.*

Mr. Kiyosuke Kanetune has popularly been known more as a militant rationalist than an empirical researcher. His original work in collaboration with his able assistant Miss Tamako Miyauti gives you ample evidence of his remarkable skill not only as a brilliant essayist in music and literature but also as a careful analyst in the acoustics of language at its musical best, poetry.

Two British poets, and many others including Mr. Goro Uda, Professor of German at Sophia University, contributed to the work. Both poets (Messrs. Edmund Blunden and G.S. Fraser) came to Japan after World War II as a cultural envoy (Cultural Attaché, British Embassy) and taught English letters at the University of Tokyo and other institutions. Mr. G.S. Fraser (with whom the writer of this review had a pleasant association at University of Kyushu) in particular initiated the authors into a system of prosody, sprung rhythm. This system of prosody (somewhat akin to the Anglo-Saxon meter) favored by Gerand Manley Hopkins has recently drawn public attention here in Japan when Eigo Seinen (The Rising Generation) introducing Mr. Arthur Waley, the famous author of *170 Chinese Poems, Japanese Poetry, The Tale of Genji, The Pillow-book of Sei Shonagon*, etc., commented upon his skilful use of sprung rhythm. Mr. Kizo Kano also touched upon the subject of sprung rhythm when he wrote on Mr. Waley's Chinese poems in a recent issue of *Gakuto*, the organ magazine of Maruzen, one of the biggest importers of foreign books in Japan.

The analyses of English poetry thus achieved served as the basis of the authors' research in the acoustics of Japanese poetry. Each element of the sounds employed in various Japanese poem, such as the pitch, stress, and length, has been painstakingly measured with electric appliances. There have been few works that have undertaken a similar task of minutely measuring the sounds and rhythms of words and sentences with precision machines, a job which tends to become well-nigh a labor of Sisyphus.

In a shabby (sic!) room of Kawamura Gakuen, a women's junior college, which served as the laboratory for this monumental work, the reviewer of this book visited the authors, a seventy year old man and a young lady. The fact that this remarkable achievement has resulted from their assiduous labor in their modest laboratory merits a special laud when better equipped institutions seem to indulge in repetitious reprinting rather than to create original works.

Throughout the book, a reader cannot fail to grasp the authors' theme that words are primarily sounds uttered by mouth and not printed letters, and that a study of language should be based on an acoustical analysis rather than on written forms.

For a layman like this reviewer, who has little mathematics and less acoustics, it is an additional joy to the understanding of this main theme to appreciate the authors' casual asides (somewhat reminiscent of those of Mr. Lancelot Hogben in his *Mathematics for the Million*) that have sweetened this rather technical subject, the acoustics of poetry, which is prone to produce bitter pills. (*M.K.*)

1. Business Indices

Year & Month	Bank of Japan Account (1) (In million yen)			Postal Savings (2) (In million yen)	Monthly Report of All Banks (1) (In million yen)		Tokyo Stock Prices (3)			
	Note issues	Loans	National Bond Holdings		Deposits	Advances	Dow Jones	Simple Arithmetic Mean	Turnovers (In million issues)	Interest Yield (%)
1947 av.	137,560	43,906	81,838	51,452	168,572	136,848	—	—	60,000	—
1948 ,,	241,510	54,238	187,157	59,573	326,417	246,159	—	—	142,000	—
1949 ,,	306,012	77,792	182,339	92,694	136,855	494,431	149.95	128.66	255,934	6.77
1950 ,,	321,873	123,251	143,683	134,232	893,077	820,526	101.87	74.01	512,110	9.53
1951 ,,	405,318	179,502	117,883	168,284	1,274,448	1,241,180	136.10	93.80	821,259	11.91
1952 ,,	453,294	241,134	143,472	219,361	1,816,619	1,808,130	245.67	124.08	2,002,637	9.85
1953 ,,	508,276	307,490	190,336	288,953	2,371,556	2,391,795	390.90	156.05	2,091,539	7.44
1954 ,,	519,697	365,477	250,447	377,907	2,749,568	2,830,895	340.79	110.94	1,238,495	9.44
1955 ,,	524,563	170,380	432,381	466,592	3,287,086	2,990,166	374.00	108.17	2,505,298	7.96
1954										
September	515,346	389,845	200,379	400,241	2,825,818	2,785,488	352.76	110.59	109,187	9.48
October	529,814	356,769	288,562	408,878	2,789,463	2,807,740	340.50	104.91	88,738	10.35
November	542,137	298,945	378,177	413,451	2,884,513	2,835,702	324.51	97.74	89,334	9.74
December	622,061	243,374	483,573	422,881	3,036,687	2,911,968	337.14	101.50	131,267	8.87
1955										
January	561,410	236,793	441,003	445,709	3,001,309	2,893,523	370.74	110.40	213,101	8.47
February	546,922	262,094	399,133	449,897	3,024,696	2,908,920	374.82	110.50	215,731	8.38
March	530,703	252,131	482,238	445,253	3,161,431	2,926,600	354.69	99.94	117,061	8.79
April	560,533	205,154	429,798	444,624	3,139,498	2,923,782	351.39	97.00	99,146	8.86
May	522,201	204,974	408,378	450,358	3,195,634	2,937,268	349.83	96.49	104,623	8.49
June	532,674	211,814	374,112	457,480	3,218,722	2,959,475	354.47	102.22	142,147	8.35
July	537,881	184,426	384,445	472,007	3,257,274	2,986,291	355.56	105.29	145,212	8.02
August	540,848	164,416	413,333	476,731	3,304,048	2,999,230	377.48	111.85	261,722	7.52
September	529,846	143,456	393,214	479,439	3,462,719	3,030,147	386.16	113.88	220,764	7.60
October	549,348	83,091	461,140	487,648	3,425,794	3,036,057	401.47	116.60	314,075	7.15
November	559,346	64,233	448,116	489,146	3,529,491	3,084,806	401.53	116.46	290,766	7.35
December	673,890	31,978	553,659	500,814	3,724,382	3,195,818	409.81	117.41	383,950	6.92
1956										
January	582,809	28,139	483,291	526,404	3,649,880	3,160,251	426.40	121.83	▲ 357,261	6.92
February	568,561	20,967	464,957	..	..	..	429.71	122.58	387,126	6.61
Ag. Previous Month (%)	(−) 2.4	(−) 25.5	(−) 3.3	(+) 5.1	(−) 2.1	(−) 1.2	(+) 0.8	(+) 0.6	(+) 8.4	(−) 4.5
Ag. Corr. Month in 1955 (%)	(+) 4.0	(−) 92.0	(+) 11.6	(+) 18.1	(+) 21.6	(+) 9.2	(+) 14.6	(+) 10.6	(+) 82.0	(−) 21.1

Year & Month	Tokyo Wholesale Prices (1) Total Average		Tokyo Retail Prices (1) July, 1914=100	Export & Import Price Indices (1) (July, 1949-June, 1950=100)		Cost of Living Tokyo (4) (Oct., 1946=100)	Consumer Prices (5) (1951=100)		Average Monthly Expenditure Per Household (5)	
	1952=100	1934-1936 =100		Exports	Imports		Tokyo	All Cities	All Cities	Tokyo
1947 av.	—	4,815.2	7,811.5	—	—	236.1	42.7	38.2	4,684	5,469
1948 ,,	—	12,792.6	22,912.6	—	—	472.9	74.0	69.9	8,780	10,606
1949 ,,	—	20,876.4	37,283.7	—	—	607.9	92.7	92.2	11,885	14,092
1950 ,,	—	24,680.7	36,628.7	115.6	107.8	541.1	86.1	85.9	11,980	14,134
1951 ,,	—	34,253.1	47,411.9	165.5	136.3	637.4	100.0	100.0	14,410	16,138
1952 ,,	100.0	34,921.5	46,138.0	134.9	122.1	681.9	104.2	105.0	17,862	19,741
1953 ,,	100.4	35,157.3	47,446.1	127.9	110.1	782.1	112.0	111.9	22,113	25,133
1954 ,,	99.7	34,926.0	50,400.9	123.0	105.7	850.2	118.1	119.1	22,678	26,517
1955 ,,	97.9	34,301.9	49,296.8	123.5	106.6	874.7	116.4	..	..	..
1955										
March	99.2	34,754.4	50,562.4	123.6	106.9	857.1	116.4	118.4	22,576	26,714
April	98.3	34,439.1	50,310.4	124.5	106.1	865.0	118.2	119.1	22,475	26,431
May	97.5	34,158.8	49,838.5	123.3	106.8	861.9	117.0	118·2	22,200	25,800
June	96.7	33,878.6	49,429.3	122.4	106.1	865.0	116.2	117.6	21,965	26,349
July	97.0	33,983.7	48,245.6	123.4	107.2	847.7	115.1	117.0	23,490	30,351
August	97.5	34,158.8	48,502.2	124.0	107.4	833.6	116.3	117.8	22,401	25,256
September	97.7	34,228.9	48,555.1	123.8	105.6	832.9	115.6	117.4	21,905	25,910
October	98.0	34,334.0	48,382.9	123.3	104.9	829.7	117.5	119.0	23,233	27,641
November	97.8	34,263.9	48,053.6	125.4	106.2	832.1	115.5	115.9	23,149	28,293
December	97.9	34,299.0	48,190.6	126.1	105.6	832.9	115.2	115.7	..	..
1956										
January	98.5	34,509.2	▲47,865.6	127.1	106.1	839.1	115.6	116.5	..	..
February	..	..	48,149.8	..	..	835.2	116.7	..	..	..
March	..	..	..	..	..	835.2	..	..	..	..
Ag. Previous Month (%)	(+) 0.6	(+) 0.6	(+) 0.6	(+) 0.8	(+) 0.5	0	(+) 1.0	(−) 0.2	(−) 0.3	(+) 2.4
Ag. Corr. Month in 1955 (%)	(+) 1.0	(+) 1.0	(−) 5.4	(+) 5.6	(−) 1.8	(−) 2.8	(−) 0.3	(−) 1.6	(+) 6.9	(+) 11.2

Sources: (1) Bank of Japan.
(2) Ministry of Postal Services.
(3) Tokyo Securities Exchange.
(4) The Oriental Economist.
(5) Statistics Bureau, Prime Minister's Office.

Notes: ▲ Revised at source.

2. Business Indices

Year & Month	Consumption Level (1) (1934-1936=100)			(2) Manufacturing Industry Wages (1934-9=100)		(2) Employment Indices for Mfg. Industries (1947=100)	No. of Employed (In 10,000) (3)	No. of Unemployed (In 10,000) (3)	E.P.B. Indices (1934-6=100) (1)			
	Total	Urban	Non-Urban	Nominal	Real				Business Activity Indices	Mining Manufacturing	Manufacturing: Durable	Manufacturing: Non-durable
1947	—	55.4	—	1,580	30.2	100.0	..	..	46.2	37.4	44.9	26.6
1948	—	61.2	—	4,381	48.6	101.0	3,460	24	61.8	54.6	74.7	35.1
1949	—	56.0	—	7,516	66.3	102.4	3,606	38	76.7	71.0	99.8	47.0
1950	79.3	69.8	93.5	9,135	85.4	97.1	3,572	44	88.0	83.6	110.0	66.7
1951	82.7	68.9	103.4	11,708	92.1	104.5	3,622	39	119.4	114.4	164.3	89.2
1952	96.2	80.2	120.1	13,516	102.3	107.7	3,728	47	131.8	126.4	171.8	104.5
1953	108.8	94.0	131.0	15,322	107.3	112.7	3,925	45	161.2	155.1	209.9	131.8
1954	114.7	100.0	136.7	16,307	108.0	118.2	3,958	48	173.5	166.9	213.2	150.3
1955	..	..	..	16,759	114.5	116.6	4,117	68	187.8	180.7	222.6	168.0
1954												
December	160.5	148.6	178.3	25,623	167.0	116.1	3,864	60	180.0	172.9	204.3	163.5
1955												
January	114.3	91.7	148.2	15,525	103.5	115.5	3,610	63	158.9	152.2	182.6	141.5
February	109.6	93.0	143.6	14,854	100.5	115.1	3,736	66	169.4	163.0	197.1	151.3
March	119.8	100.5	148.7	14,700	99.5	115.7	3,984	84	185.2	177.8	219.7	163.9
April	113.9	97.3	137.8	15,192	101.3	117.8	4,130	70	181.1	174.1	218.7	160.2
May	106.0	94.8	122.8	14,902	100.5	117.4	4,315	66	181.5	174.4	218.9	161.1
June	108.1	101.2	118.4	17,015	116.8	117.0	4,302	68	184.4	177.6	219.0	165.3
July	121.8	118.9	126.1	19,973	135.7	117.0	4,243	72	187.1	180.2	216.0	170.6
August	114.5	95.7	142.7	15,599	108.9	116.8	4,148	71	189.2	182.7	232.2	171.7
September	114.0	102.4	131.4	14,983	106.4	116.7	4,197	67	193.3	185.3	226.9	175.0
October	118.3	104.7	138.6	15,036	104.7	116.6	4,339	72	194.3	186.9	234.7	171.4
November	125.5	111.0	147.2	15,541	110.7	116.6	4,261	57	198.0	190.5	▲240.4	174.0
December	..	..	..	27,784	185.8	116.6	4,141	57	▲ 206.0	▲ 198.0	▲247.3	▲ 182.7
1956												
January	..	..	..	..	..	..	..	..	191.0	183.1	229.1	168.2
Ag. Previous Month (%)	(+) 6.1	(+) 6.0	(+) 6.2	(+) 78.8	(+) 67.8	0	(-) 2.8	0	(-) 7.3	(-) 7.5	(-) 7.4	(-) 7.9
Ag. Corr. Month in 1955 (%)	(+) 11.0	(+) 14.8	(+) 5.2	(+) 8.4	(+) 11.1	0	(+) 7 1	(-) 5.0	(+) 20.2	(+) 20.3	(+)25.5	(+) 18.9

Year & Month	Manufacturing Ind. Total (1953=100)		Producer's Stock Indices Mining Manufacturing Total (4)	Seller's Stock Indices (4)	Carloadings Indices (5)	Department Store Sales (4)	Foreign Trade (6) (In $1,000)			Foreign Trade Volume Indices (1934-6=100) (1)		Foreign Exchange (7) ($ 1,000)		
	Piled-up Materials Indices (4)	Piled-up Imported Materials Indices (4)	1953=100	1950=100	1941=100		Exports	Imports	Balance	Exports	Imports	Received	Paid	Balance
1947	—	—	—	—	72.1	1,188.6	173,568	526,130	△ 352,562	—	—	—	—	—
1948	—	—	—	—	82.3	3,036.1	258,271	486,220	△ 425,949	7.5	17.8	—	—	—
1949	—	—	—	—	86.9	5,499.8	509,700	904,845	△ 395,145	16.1	28.0	—	—	—
1950	60.7	40.5	83.2	100.0	87.4	7,690.2	820,055	974,339	△ 154,284	29.6	32.8	1,008,310	677,207	331,103
1951	82.9	68.6	82.1	83.4	106.2	11,943.3	1,354,520	1,995,039	△ 640,520	31.4	48.3	2,240,580	1,909,278	331,303
1952	88.3	78.9	100.9	85.5	103.3	15,108.9	1,272,915	2,028,193	△ 755,278	31.4	54.2	2,238,127	1,924,815	314,312
1953	100.0	100.0	100.0	96.1	105.7	19,818.1	1,274,843	2,409,638	△1,134,795	35.3	74.4	2,120,037	2,313,716	△193,679
1954	100.6	96.8	129.4	109.2	105.6	22,193.7	1,629,339	2,399,404	△ 770,065	46.3	76.6	2,309,264	2,209,296	99,967
1955	94.1	89.5	120.0	..	105.9	23,668.9	2,010,600	2,471,430	△ 460,831	..	..	2,667,645	2,173,846	493,798
1954														
November	94.4	86.7	132.2	103.5	105.1	23,260.4	140,502	150,399	△ 9,897	49.3	58.3	193,962	146,725	46,966
December	91.8	82.2	126.3	101.7	103.5	49,182.7	190,022	172,945	17,077	68.7	68.4	227,005	144,882	82,123
1955														
January	88.3	83.5	112.2	102.3	102.3	17,166.4	119,239	▲ 174,446	△▲ 55,207	41.6	66.9	191,541	155,644	35,897
February	88.4	83.8	119.8	104.6	103.5	16,150.0	146,665	▲ 174,535	△▲ 27,870	50.0	66.4	176,575	172,184	4,390
March	89.1	82.1	115.8	108.4	100.6	23,182.9	166,486	▲ 228,219	△▲ 61,732	58.1	95.2	209,375	167,542	41,833
April	90.9	83.6	119.5	111.3	102.5	22,246.1	▲ 152,231	▲ 216,774	△▲ 64,544	53.3	82.4	206,509	200,153	6,355
May	93.1	86.0	123.2	111.9	102.3	19,786.6	▲ 147,786	▲ 215,084	△▲ 67,298	48.8	78.8	195,346	196,661	△ 1,314
June	99.0	95.8	127.4	109.9	105.8	19,684.9	▲ 159,595	▲ 212,436	△▲ 52,840	54.4	81.7	226,527	173,211	53,316
July	99.3	97.9	130.0	114.3	105.4	25,837.9	▲ 159,980	▲ 203,770	△▲ 43,790	54.2	77.3	223,334	178,575	44,758
August	98.2	96.2	122.9	126.7	107.9	19,050.5	▲ 175,985	▲ 206,848	△▲ 30,863	59.7	79.0	234,989	187,006	47,983
September	95.9	91.3	118.0	123.2	110.5	16,660.5	▲ 176,246	▲ 180,389	△▲ 4,142	58.8	69.1	257,685	175,727	81,958
October	93.7	86.9	116.5	124.0	109.7	23,237.0	▲ 188,903	▲ 201,597	△▲ 12,694	65.3	78.9	240,401	171,734	68,660
November	96.3	90.8	115.3	119.0	111.6	26,135.9	▲ 168,303	▲ 223,988	△▲ 55,685	56.7	87.7	236,594	187,899	48,694
December	97.1	93.5	109.9	..	109.2	54,881.1	▲ 249,180	▲ 233,344	▲ 15,835	..	..	268,769	207,506	61,263
1956														
January	..	..	..	..	107.8	..	149,333	218,347	△ 69,014	..	..	238,341	208,812	29,528
Ag. Previous Month (%)	(+) 0.9	(+) 3.0	(-) 4.7	(-) 4.0	(+) 1.8	(-) 1.3	(+) 110.0	(-) 6.8	—	(-) 13.2	(+) 11.2	(-) 11.4	(+) 0.6	—
Ag. Corr Month in 1955 (%)	(+) 5.8	(+) 13.7	(-) 13.0	(+) 15.0	(-) 9.0	(+) 5.4	(+) 11.6	(+) 25.3	—	(+) 15.0	(+) 50.4	(+) 24.4	(+) 34.2	—

Notes: △ in Foreign Trade means excess in export, while △in Foreign Exchange means excess in payment.

Sources: (1) Economic Planning Board (2) Ministry of Labor (3) Statistics Bureau, Prime Minister's Office (4) MITI (5) Ministry of Transportation (6) Ministry of Finance (7) Bank of Japan. ▲ Revised at source.

3. Business Indices

(Based on Korea) (June 1950=100)

Year & Month	Bank of Japan Note Issue (1)	Monthly Report of All Banks (1) (Deposits=100)		Tokyo Stock Prices (2)		Tokyo Wholesale Prices (1)			Consumer Prices (3)		Cost of Living Tokyo (4)
		Deposits	Advances	Dow Jones	Simple Arithmetic Mean	Total Average	Producer Goods	Consumer Goods	Tokyo	All Cities	
1954											
March	171.8	312.6	310.4	368.7	171.8	156.8	178.1	133.0	145.0	143.7	172.0
April	174.8	306.9	309.5	364.0	166.8	153.9	174.6	131.0	145.8	144.2	175.2
May	167.9	313.1	310.6	360.6	164.0	151.3	170.4	129.9	145.2	143.2	174.7
June	171.7	308.9	312.1	368.2	165.6	148.7	166.5	128.6	145.0	144.1	175.9
July	168.4	308.9	314.2	373.6	165.4	147.9	165.8	128.0	145.9	144.8	174.3
August	167.7	312.6	316.7	372.1	161.1	148.5	165.6	129.4	144.2	144.9	173.2
September	165.6	325.4	320.7	386.9	166.0	149.3	165.6	130.6	143.9	144.6	173.0
October	170.3	321.2	323.3	373.4	157.5	149.0	165.5	130.3	145.8	145.9	172.7
November	174.2	332.1	326.5	355.9	146.7	150.4	166.5	131.8	142.8	142.9	172.0
December	199.9	349.6	335.3	369.8	152.4	149.3	164.9	131.3	141.5	142.0	170.9
1955											
January	180.4	345.6	333.2	406.6	165.7	149.8	166.0	131.3	142.8	143.4	173.3
February	175.8	348.3	334.9	411.1	165.9	150.5	168.1	130.7	143.2	143.7	174.9
March	170.5	364.0	337.0	389.0	150.0	151.0	169.2	130.5	142.5	143.0	174.4
April	176.9	361.4	336.6	385.4	145.6	149.6	168.3	129.0	144.7	143.8	176.0
May	167.8	367.9	338.2	383.7	144.8	148.4	166.3	128.6	143.2	142.8	175.4
June	171.2	370.6	340.7	388.8	153.4	147.2	164.9	127.6	142.2	142.0	176.0
July	172.8	375.0	343.8	390.0	158.0	147.6	166.2	127.2	140.9	141.3	172.5
August	173.8	380.4	345.3	414.0	167.9	148.4	167.2	127.6	142.4	142.3	169.6
September	170.3	398.7	348.9	423.5	170.9	148.7	168.1	127.5	141.5	141.8	169.5
October	176.5	394.4	349.5	440.3	175.0	149.2	169.0	127.5	143.8	143.7	168.8
November	179.7	406.3	355.1	440.4	174.8	148.9	169.2	126.8	141.4	140.0	169.3
December	216.6	428.8	367.9	449.5	176.2	149.0	169.5	126.7	141.0	139.7	169.5
1956											
January	187.3	420.2	363.8	467.6	182.8	149.9	173.7	124.6	141.5	140.7	170.8
February	182.7	..	..	471.3	184.0	..	..	..	142.8	..	170.0
March	..	..	..	..	..	..	..	..	..	..	170.9

Year & Month	Foreign Trade (5)		Export & Import Price Indices (1)		Manufacturing Industry Wages (6)		Employment Indices for Mfg. Industries (6)	E.P.B. Indices (7)			
	Exports	Imports	Exports	Imports	Nominal Wages	Real Wages		Incl. Gas & Electricity	Mining Mfg.	Manufacturing	
										Durable	Non-durable
1954											
January	143.3	333.3	130.1	104.3	180.0	126.3	107.2	189.7	191.9	200.2	205.6
February	170.5	297.5	130.4	105.3	172.0	119.8	107.0	191.8	194.5	206.0	214.3
March	207.3	360.0	129.1	105.7	169.4	117.8	107.5	208.2	211.0	224.9	223.3
April	193.2	347.0	127.2	105.6	170.5	118.2	110.1	202.8	205.6	212.8	222.6
May	191.5	327.9	125.6	104.7	167.6	116.9	109.2	198.4	200.9	208.4	218.2
June	187.6	268.5	122.3	104.1	206.0	142.9	108.5	197.2	200.0	203.9	219.0
July	215.3	251.7	121.1	103.5	222.5	156.5	107.8	192.9	195.2	197.1	214.2
August	215.0	229.3	120.1	103.5	183.8	126.7	106.8	188.6	191.4	189.2	215.7
September	203.8	220.2	118.5	103.9	170.0	117.5	105.3	197.1	200.1	190.7	228.8
October	245.9	226.8	119.3	103.5	170.4	116.7	105.8	202.3	205.0	193.9	236.0
November	213.5	206.1	119.7	104.7	175.5	122.7	105.2	201.9	204.8	193.8	234.8
December	238.7	237.4	121.0	106.3	299.5	210.9	104.7	204.9	207.2	196.5	238.4
1955											
January	181.2	239.3	121.1	106.8	181.5	126.5	104.0	184.5	186.3	176.6	213.3
February	222.9	239.2	122.7	106.4	173.6	120.7	103.7	196.7	199.5	190.6	228.0
March	252.9	312.8	124.3	105.6	171.8	120.0	140.2	215.1	217.6	212.5	247.0
April	231.2	298.7	125.3	104.9	177.6	123.3	106.2	210.3	213.1	211.5	241.4
May	224.6	295.1	124.0	105.6	174.2	121.9	105.8	210.8	213.4	211.7	242.6
June	242.6	292.5	123.1	104.9	..	141.6	120.6	214.2	217.4	211.8	249.0
July	243.0	279.6	124.2	106.0	..	170.8	120.6	217.3	220.6	208.9	256.9
August	267.8	283.5	124.7	106.2	..	132.5	120.3	219.7	223.6	215.9	258.6
September	268.2	247.7	124.5	104.5	..	127.7	120.3	224.5	228.3	219.4	263.6
October	287.0	278.9	124.0	103.8	..	126.5	120.2	225.7	228.7	227.0	258.2
November	255.7	307.2	126.2	105.0	..	134.2	120.2	230.0	233.2	232.5	262.1
December	378.6	321.6	126.9	104.5	..	225.2	120.2	▲ 239.2	▲ 242.3	▲ 239.2	▲ 275.2
1956											
January	226.9	299.7	127.9	104.9	..	..	..	221.8	224.1	221.6	253.3

Note: The various statistics above have been recalculated by The Oriental Economist on the basis of June 1950. ▲ Revised at source.

Source: (1) Bank of Japan. (2) Tokyo Securities Exchange. (3) Statistics Bureau of Prime Minister's office. (4) The Oriental Economist survey of 157 items calculated by weighted arithmetic means. The cost of living index base which was based on November, 1947 and calculated according to 57 items, has been later revised to July, 1950 with 131 items and further from August, 1953, the items were enlarged to 157. (5) Ministry of Finance. (6) Ministry of Labor. (7) Economic Planning Board.

4. Bank of Japan Ten-day Report

(In million yen) (Bank of Japan)

	1956			
	Jan. 31	Feb. 10	Feb. 20	Feb. 29
LIABILITIES				
Bank Notes Issued	582,810	543,426	530,558	568,562
Government Deposits	51,880	62,105	55,454	43,129
Bankers' Deposits	4,054	4,759	7,137	7,310
Other Deposits	36,128	33,980	34,126	32,516
Inter-Bank Remittance Deposits	22,302	18,753	17,105	23,114
Reserves Against Contingencies	25,615	25,615	25,615	25,615
Other Liabilities	32,241	32,355	34,212	36,311
Capital Stock	100	100	100	100
Reserve Funds	13,473	13,473	13,473	13,473
Total	768,602	734,567	717,789	750,130
ASSETS				
Bullion	448	448	448	448
Cash	3,197	3,314	3,347	3,623
Discounted Bills	8,676	3,837	2,900	4,299
Loans	19,464	16,991	16,685	16,668
Foreign Exchange Loans	11,960	11,750	11,520	11,431
Government Bonds	483,292	454,833	443,254	464,957
Advances to Government	1,250	1,250	1,250	1,250
Foreign Exchange Accounts	184,298	183,481	182,585	181,106
Agencies Accounts	9,148	10,271	10,043	9,301
Inter-Bank Remittance	17,617	19,119	15,809	24,715
Other Assets	29,252	29,274	29,949	32,332
Total	768,602	734,567	717,789	750,130

5. Accounts of Member Banks of the Tokyo Banking Association

(In million yen) Tokyo Banking Assoc.

	1956			
	Jan. 31	Feb. 10	Feb. 20	Feb. 29
Deposits				
Current Deposits	283,969	116,398	117,319	288,081
Ordinary Deposits	135,038	177,606	180,963	185,785
Deposits at Notice	119,970	121,786	123,436	117,788
Time Deposits	366,886	369,566	371,308	374,006
Instalment Savings	19,684	19,560	19,513	19,737
Deposits for Tax Payment	2,470	2,575	2,870	2,264
Gov't Deposits	108,449	109,621	109,554	109,353
Other Deposits	46,008	30,289	29,551	56,143
Total	1,132,473	947,400	954,513	1,153,156
Advances				
Loans on Bills	570,421	557,678	564,545	581,022
Loans on Deeds	168,985	168,903	169,203	169,875
Overdrafts	4,259	5,058	5,378	6,683
Discounted Bills	360,349	341,634	336,976	357,738
Total	1,104,014	1,073,274	1,076,103	1,115,319
Advances against Import Bills				
Settlement Funds	43,829	42,577	43,643	41,458
Call Loans	24,138	25,918	23,592	27,128
Securities				
Government Bonds	27,376	28,428	30,461	31,364
Local Bonds	9,910	9,910	9,988	10,393
Corporate Debentures	124,972	124,904	124,851	127,618
Stock and Other Bonds	29,042	29,408	29,713	30,454
Total	191,300	192,649	195,013	199,828
Cash in Hand				
Cash	7,881	6,575	8,088	7,434
Checks, Bills, etc.	193,609	38,335	41,631	200,378
Total	201,490	44,910	49,719	207,811
Deposits	8,930	8,080	7,187	12,010

6. Monthly Report of All Banks

(December, 1955: Excluding Bank of Japan)

(In million yen) (Bank of Japan)

	All Banks						Trust Account (17)
	Debenture Issuing Banks (2)	Eleven Big Banks (13)	Local Banks (65)	Trust Banks (6)	Total (86)	Compared with end of pre. mo.	
Deposits							
Current Deposits	9,219	526,502	131,034	30,301	697,058	623,491	—
Ordinary Deposits	5,397	464,373	306,853	13,276	789,901	719,637	—
Deposits at Notice	19,080	209,547	49,514	21,861	300,004	238,051	—
Time Deposits	8,981	967,629	558,960	27,348	1,562,919	1,526,974	—
Special Deposits	2,163	83,974	31,182	4,481	121,802	166,578	—
Instalment Savings	—	33,224	92,146	57	125,428	124,213	—
Deposits for Tax Payment	174	5,770	2,286	385	8,616	8,329	*139,254
Deposits of Gov't and Gov't Agencies	2,319	115,591	—	—	117,911	121,362	**115,165
Other Deposits	—	739	—	—	739	939	—
Total	47,335	2,407,354	1,171,979	97,712	3,724,382	3,529,577	—
Borrowed Money	513	83,405	1,228	779	85,929	106,367	—
Borrowings for Settlement of Import Bills	—	41	—	—	41	15,521	—
Call Money	1,400	74,689	4,439	3,183	83,711	84,363	—
Cash and Deposits							
Cash in Hand	7,460	373,086	78,494	18,025	477,067	455,277	1,126
Deposits with Domestic Money Organs	1,369	20,646	26,707	1,728	50,452	46,433	2,533
Total	8,829	393,732	105,201	29,753	527,519	501,710	3,659
Call Loans	7,153	8,970	40,724	490	57,337	41,213	12,683
Securities							
Government Bonds	1,055	41,940	20,975	809	64,781	46,501	102
Local Government Bonds	948	17,237	11,342	235	29,764	29,086	545
Foreign Bonds	384	2,477	—	—	2,862	2,862	11
Corporate Debentures	6,845	179,073	156,100	4,722	364,741	358,004	2,640
Stocks	4,327	35,215	13,829	1,861	55,234	53,231	1,291
Other Bonds	1	230	987	142	1,362	1,519	12
Total	13,562	294,175	203,236	7,772	518,745	491,205	4,603
Advance							
Discount Bills	12,837	744,116	286,535	60,072	1,103,562	1,069,885	20,138
Advances against Real Estate	205,140	181,591	127,901	1,805	516,438	506,947	
Advances against Securities	1,383	38,918	17,873	522	58,697	56,683	
Other Secured Advances	11,892	149,718	123,805	4,620	290,036	289,460	209,618
Advances against Guarantee	11,627	240,032	215,026	948	467,635	432,255	
Unsecured Advances	79,675	449,440	140,945	17,581	687,642	658,960	
Overdrafts	23	9,681	9,688	223	19,617	21,729	
Total	322,580	1,813,498	921,775	85,772	3,143,629	1,966,036	229,757
Loans for Settlement of Import Bills	1,505	48,438	1,098	1,146	52,188	48,958	—

Note: * Money in trust total. ** Loan trust. △ Decrease.

7. Bank Clearings

(In billion yen)

(Tokyo Clearing House)

Year & Month	All Clearing Houses		Tokyo		Osaka	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
	(1,000)		(1,000)		(1,000)	
1955: May ..	10,541	2,567	4,211	1,196	2,128	599
June ..	11,258	2,640	4,426	1,215	2,238	631
July ..	10,462	2,516	4,255	1,174	2,065	583
Aug. ..	10,986	2,711	4,312	1,239	2,236	631
Sept. ..	10,538	2,906	4,173	1,354	2,148	676
Oct. ..	10,731	2,853	4,285	1,326	2,160	656
Nov. ..	11,016	2,822	4,392	1,318	2,215	649
Dec. ..	15,064	3,643	5,939	1,701	3,035	819
1956: Jan. ..	9,129	2,556	3,641	1,167	1,764	608
1955: Jan. ..	8,067	2,288	3,235	1,090	1,542	494

8. Dishonored Bills

(In million yen)

(Tokyo Clearing House)

Year & Month	Of which, Transactions with Bank Suspended							
	Tokyo		Osaka		All Clearing Houses		Tokyo	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
1955: May ..	44	3,582	31	2,331	7,436	504	2,364	166
June ..	40	3,821	30	2,352	6,364	478	1,999	205
July ..	40	3,537	29	2,334	6,584	439	2,034	164
Aug. ..	46	4,067	37	2,742	7,181	463	2,051	141
Sept. ..	44	3,626	34	2,608	6,515	413	2,004	137
Oct. ..	48	3,816	37	2,640	7,351	461	2,275	160
Nov. ..	49	3,820	36	2,290	7,156	490	2,052	147
Dec. ..	48	3,696	36	2,281	7,009	469	2,156	178
1956: Jan. ..	34	2,437	25	1,932	5,532	314	1,625	108
1955: Jan. ..	30	2,704	22	1,744	5,731	360	1,862	138

9. Postal Savings & Postal Transfer Savings

(In million yen) (Ministry of Postal Services)

End of Month	Postal Savings				Postal Transfer Savings	Total
	Receipts	Payments	Balance	Six Major Cities		
1955: July ..	47,878	33,351	472,007	159,832	6,214	478,221
Aug. ..	41,112	36,388	476,731	161,316	5,950	482,681
Sept. ..	40,151	37,443	479,439	161,959	7,583	487,221
Oct. ..	44,136	35,928	487,648	163,366	6,446	494,094
Nov. ..	36,796	35,295	489,149	162,746	6,772	495,921
Dec. ..	48,467	36,944	500,814	166,629	6,377	507,191
1956: Jan. ..	65,717	40,126	526,404	175,267	5,880	532,284
1955: Jan. ..	58,550	35,762	445,709	146,778	7,162	452,835

10. Average Yields of Debentures

(Industrial Bank of Japan)

Month	Gov't Bonds	Financial Debenture		Industrial Debenture
		Interest Bearing	Discount	
	%	%	%	%
1955: June ..	6.342	8.500	7.054	9.001
July ..	6.354	8.500	7.054	9.006
Aug. ..	6.362	8.500	7.054	9.000
Sept. ..	—	8.500	7.054	8.992
Oct. ..	6.331	8.500	7.054	8.667
Nov. ..	—	8.500	7.054	8.803
Dec. ..	6.342	7.918	6.643	8.297
1956: Jan. ..	—	7.918	6.643	8.256

11. Bank of Japan Official Interest Rates

(In sen per diem per ¥100)**

Revised on	Commercial Bills	Against Gov't. Bonds *	Advance Against Securities other than Gov't Bonds	Overdraft
1932: Aug. 18	1.2	1.3	1.4	1.6
1933: July 3	1.0	1.1	1.2	1.4
1936: Apr. 7	0.9	1.0	1.1	1.3
1937: July 15	0.9	0.9	1.1	1.2
Sept. 21	0.9	0.9	1.1	1.1
1946: Apr. 9	0.9	1.0	1.1	1.3
Oct. 14	1.0	1.1	1.2	1.4
1948: Apr. 25	1.2	1.3	1.4	1.7
July 5	1.4	1.5	1.6	1.9
1949 Apr. 1	▲ 1.4	1·5	1.6	1.9
June 2	1.4	1.5	1.6	1.9
1951: Oct. 1	1.6	1.7	1.8	2.1
1955: Aug. 10	2.0	2.1	2.2	2.3

12. Interest Rates for Advances by Member Banks

(In sen per diem per ¥100) (Tokyo Banking Assoc.)

Year & Month	Loans on Deeds		Loans on Bills		Overdraft		Discount Bills	
	High	Low	High	Low	High	Low	High	Low
1955:								
June	3.30	2.50	3.30	1.80	3.00	2.00	3.00	2.00
July	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
Aug.	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
Sept.	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
Oct.	3.30	2.60	3.30	1.80	3.00	2.00	3.20	2.00
Nov.	3.30	2.60	▲ 3.20	1.80	3.00	2.00	3.20	2.00
Dec.	3.30	2.60	▲ 3.20	1.80	3.00	2.00	3.20	2.00
1956:								
Jan.	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1955:								
Jan.	3.30	2.60	3.30	1.80	3.00	2.00	3.30	2.10

13. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

Year & Month	Tokyo			Osaka		
	Rate		Balance at the End of the Month (million yen)	Rate		Balance at the End of the Month (million yen)
	Over-Night (sen)	Unconditional (sen)		Over-Night (sen)	Unconditional (sen)	
1955: July	1.00	2.00	30,183	1.00	2.00	14,130
Aug.	1.00	2.00	35,272	1.00	2.00	13,713
Sept.	1.00	2.00	36,423	1.00	2.00	12,162
Oct.	1.00	1.80	48,097	1.00	1.80	16,966
Nov.	1.00	1.60	47,923	1.00	1.60	16,262
Dec.	1.00	1.80	45,370	1.00	1.90	22,027
1956: Jan.	1.00	1.50	43,649	..	..	16,112
Feb.	1.00	1.45	59,392	..	..	23,571

14. Interest Rates of City Bank Deposits

(In sen per diem per ¥100) (Bank of Japan)

Enforced on	Time Deposits (%)			Current Deposits	Ordinary Deposits	Deposits at Call	Other Deposit
	Three Months	Six Months	One Year				
1940: Feb. A ..	—	—	—	—	—	—	—
1940: Feb. B ..	—	3.4	—	—	—	—	—
1944: July ..	—	3.3	—	0	0.5	0.6	0.6
1947: June ..	3.3	3.5	3.6	0	0.5	0.6	0.6
1948: Jan. ..	3.7	4.0	4.2	0	0.5	0.6	0.6
July ..	3.8	4.2	4.4	0	0.5	0.6	0.6
1949: Aug. ..	3.8	4.4	4.7	0	0.5	0.6	0.6
1951: Jan. ..	3.8	4.6	5.0	0	0.5	0.6	0.6
May ..	3.8	5.0	5.5	0	0.5	0.6	0.6
Sept. ..	4.0	5.0	6.0	0	0.6	0.7	0.7

Notes: ▲ includes foreign Trade bills. * includes stamp bills, foreign trade bills, etc. from Oct. 14, 1946; and from June 1949 includes financial and other preferential debentures. ** HOW TO COMPUTE PER DIEM INTEREST:—In addition to the usual annual rate in percentage, computing interest by per diem rates is widely in use in Japan. This rate is expressed in sen (1/100 yen) as interest per day on ¥100 of principal. To find the usual annual rate from the per diem rate multiply the latter by 365. For example, a diem rate of 1.0 sen on a principal ¥100 gives an interest of 365 sen or ¥3·65 per year or 3.65% per annum. ▲ Revised at source.

15. Treasury Accounts with the Public

(In ¥100,000,000) (Ministry of Finance.)

Items	Fiscal 1954		Fiscal 1955							
	Jan.–Mar.	Total	Apr.–June	July–Sept.	Oct.	Nov.	Dec.	Oct.–Dec.	1956 Jan.	1956 Feb.	1955 Feb.
General Account											
Revenue											
Taxes	1,988	7,709	1,803	1,925	505	518	901	1,926	654	582	546
Monopoly	272	1,137	336	243	33	21	64	118	30	95	97
Others	69	302	105	72	28	41	37	108	29	31	20
Total	2,329	9,148	2,244	2,240	566	580	1,002	2,152	713	870	663
Expenditure											
Defense Expenditure	189	860	182	151	110	8	25	143	100	8	9
Defense Board	133	648	159	131	55	48	113	218	38	60	42
Public Works Expenditure	334	1,650	365	320	81	74	223	378	25	74	102
Local Finance Equalization Grants	193	1,493	658	387	138	222	168	530	36	87	—
Compulsory Education Expenditure	143	687	183	159	102	—	123	225	49	53	33
Others	773	3,380	849	706	244	257	493	988	162	259	271
Total	1,765	8,718	2,396	1,854	730	609	1,145	2,482	410	541	457
Balance	564	430	△ 152	386	△ 164	△ 29	△ 413	△ 330	303	167	206
Special Accounts and Others											
Foodstuff Control	641	60	633	△ 583	△ 447	△ 87	△ 916	△ 1,450	181	10	236
Trust Fund Bureau	30	△ 856	△ 236	6	△ 64	51	△ 177	△ 188	12	75	27
Industrial Investment	6	△ 41	4	31	△ 9	△ 20	2	△ 27	△ 20	△ 15	△ 15
National Railways & Nippon Telegraph and Telephone Public Corporation	91	△ 123	23	41	38	42	△ 175	△ 95	135	50	27
Finance Corporation	△ 153	△ 637	△ 98	△ 81	△ 39	△ 52	△ 153	△ 245	△ 34	△ 15	△ 30
Others	86	1	△ 195	127	△ 112	△ 66	△ 71	△ 124	163	98	60
Total	701	△ 1,596	131	△ 459	△ 633	0	△ 1,490	△ 2,129	437	167	305
Designated Deposits	—	38	—	—	—	—	—	—	—	—	—
Adjustment Items	27	△ 31	△ 145	△ 51	129	10	22	160	66	△ 7	△ 46
Foreign Exchange	△ 239	△ 741	△ 314	△ 513	△ 199	△ 146	△ 181	△ 525	△ 104	△ 125	△ 57
Balance	1,053	△ 1,900	△ 480	△ 637	△ 867	△ 165	△ 1,792	△ 2,824	702	202	408

16. Tokyo Retail Price Indices

(1952 as 100) (Tokyo Chamber of Commerce)

Year & Month	Total Average	Foodstuffs								Clothings	Building Materials	Fuels & Lights	Sundries
		Staples	Beans & Greens	Dairy Products	Marine Products	Seasoning	Processed Foods	Non-Essentil Edibles	Average				
1955 Average	105.6	109.7	136.2	107.9	113.0	108.7	118.6	100.6	114.0	83.6	110.5	111.4	90.0
1955: November	103.6	109.0	131.9	109.6	104.1	106.1	113.3	98.2	110.6	83.2	110.8	111.3	90.0
December	104.2	108.2	128.9	109.6	113.8	105.9	113.3	98.2	111.6	82.5	111.5	112.1	90.0
1956: January	▲ 105.1	107.6	122.6	108.2	▲ 127.0	106.2	113.3	100.6	113.8	82.3	112.6	112.6	90.0
February	106.0	107.3	130.9	106.9	122.9	106.2	113.3	105.0	114.2	82.3	112.6	112.6	91.1
1955: February	108.2	109.0	155.4	108.0	120.7	110.4	116.1	95.1	117.8	84.2	110.4	116.3	90.0

17. Tokyo Wholesale Price Indices

(1952 of 100) (Bank of Japan)

Year & Month	Total Average	Agricultural Products	Other Foodstuffs	Textiles	Fuels	Metal & Machinery	Building Materials	Chemical Products	Sundries	By Uses		
										Producer's Goods	Capital Goods	Consumer's Goods
1955 Average	97.9	▲ 119.5	100.3	86.3	101.0	91.8	113.7	82.8	93.5	95.1	101.4	101.6
1955: October	98.0	117.5	100.4	84.6	99.7	95.5	113.2	83.2	93.4	95.8	103.5	100.9
November	97.8	116.2	97.6	85.3	103.9	95.7	112.1	83.7	92.9	95.9	103.2	100.4
December	97.9	115.6	98.0	84.8	104.6	96.6	111.9	84.0	92.9	96.1	103.5	100.3
1956: January	98.5	115.1	97.3	85.4	104.9	99.6	112.7	85.8	92.6	98.5	105.5	98.6
1955: January	98.4	120.7	103.2	87.4	103.5	86.9	116.7	81.9	93.9	94.3	99.3	103.9

18. Tokyo Wholesale Price Indices

(1934–36=100) (Bank of Japan)

Year & Month	Average	Staples	Other Foodstuffs	Textiles	Fuel	Metals & Machinery	Building Materials	Chemical Products	Miscellaneous
1954 Average	34,929.6	34,794.9	32,807.0	37,446.9	31,031.0	32,259.6	43,844.6	25,980.3	24,751.9
1955 „	34,301.9	34,768.2	31,967.5	35,551.3	32,375.0	33,234.5	40,424.0	25,206.1	24,633.1
1955: August	34,158.8	34,678.6	31,847.9	35,973.7	31,581.4	32,996.1	39,943.9	25,160.4	24,705.8
September	34,228.9	34,039.1	31,847.9	35,520.4	31,869.9	33,829.1	40,192.9	25,221.3	24,863.7
October	34,334.0	34,115.4	32,007.3	34,861.1	31,966.1	34,589.7	40,264.0	25,343.1	24,574.3
November	34,263.9	33,777.5	31,114.7	35,149.6	33,312.7	34,662.2	39,872.7	25,495.4	24,442.7
December	34,299.0	33,603.1	31,242.2	34,943.5	33,537.2	34,988.1	39,801.6	25,586.8	24,442.7
1956: January	34,509.2	33,457.7	31,019.0	35,190.8	33,633.4	36,074.7	40,086.2	26,135.1	24,363.8
1955: January	34,509.2	35,114.6	32,900.0	36,014.9	33,344.8	31,474.8	41,508.9	24,947.1	24,679.5

Note: △ Means excess of payments. ▲ Revised at source.

19. Tokyo Retail Price Indices

(July, 1914=100) (Bank of Japan)

Year & Month	Average	Food	Fuel & Lighting	Clothing	Others
1955: Average	▲49,305.9	▲61,191	60,189	▲32,757	▲42,009
1955: September	48,555.1	59,581	58,733	33,095	41,837
October	48,382.9	59,033	60,116	32,811	41,937
November	48,053.6	58,131	60,993	32,670	42,016
December	48,190.6	58,606	61,369	32,125	42,090
1956: January	▲47,865.6	▲57,775	61,732	32,125	42,098
February	48,149.8	58,323	61,282	32,010	42,422
1955: February	50,921.3	64,885	61,558	32,997	41,802

20. Commodity Quotations & Turnovers

Tokyo Cotton Yarn (20, single, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	188.9	183.1	186.2	189.8	180.0	188.1	69
August	194.5	182.9	194.5	188.4	176.9	185.0	55
September	197.0	189.1	197.0	185.4	176.0	177.0	48
October	206.0	182.0	191.0	175.1	163.6	166.4	110
November	199.9	190.1	199.9	177.5	165.1	174.1	82
December	194.5	179.6	179.6	177.4	165.0	165.5	74
1956: January	185.0	176.0	185.0	176.9	162.9	174.0	77
February	192.4	184.1	186.0	179.9	172.5	175.2	78

Osaka Cotton Yarn (20, single, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	190.0	180.8	180.8	188.3	179.6	187.5	448
August	189.0	182.3	186.6	186.1	176.5	183.0	411
September	197.5	188.9	197.5	184.5	173.5	175.9	290
October	197.5	179.5	195.0	172.9	162.0	164.3	629
November	198.0	190.0	198.0	175.6	163.1	173.1	526
December	191.0	185.9	186.7	176.4	161.9	165.5	385
1956: January	194.0	175.1	194.0	173.7	155.9	173.6	569
February	194.5	185.6	194.5	177.9	172.0	174.5	605

Tokyo Rayon Yarn (Viscose 120 D. per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 Months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	196.5	188.1	191.1	196.0	184.8	195.9	245
August	200.5	189.8	194.0	196.9	186.6	191.1	213
September	196.4	189.5	196.4	193.1	185.8	186.7	116
October	200.9	186.0	200.9	185.0	175.2	181.6	200
November	219.0	196.5	219.0	196.0	181.2	194.0	208
December	229.8	208.9	221.0	207.9	189.0	207.9	355
1956: January	255.0	229.6	236.7	214.0	199.9	201.9	455
February	231.9	215.9	215.6	207.5	193.5	193.5	362

Fukui Rayon Yarn (Viscose 120 D. per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 Months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	195·8	188.4	191.1	195.1	185.3	195.0	208
August	197.0	189.8	194.4	194.8	187.6	190.8	124
September	195.0	189.0	195.0	192.3	186.5	187.6	88
October	194.4	184.7	193.0	186.4	175.7	181.9	160
November	196.8	191.0	196.8	192.1	180.7	191.0	125
December	217.1	196.6	216.4	204.6	186.9	204.6	277
1956: January	245.4	221.1	224.9	205.0	207.9	194.4	403
February	226.6	211.0	212.5	201.7	190.2	190.2	281

Tokyo Spun Rayon Yarn (30s bright, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 Months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	126.5	123.0	126.2	126.1	123.6	125.3	3
August	134.8	124.9	131.6	130.0	119.0	129.0	3
September	150.0	131.0	150.0	129.0	124.5	129.0	2
October	139.0	137.5	139.0	—	—	—	0
November	138.0	138.0	138.0	—	—	—	—
December	—	—	—	—	—	—	—
1956: January	147.9	145.9	147.9	132.5	130.4	132.5	0.2
February	—	—	—	—	—	—	—

Osaka Spun Rayon Yarn (30s bright, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	130.0	126.4	128.0	127.4	122.9	126.2	55
August	133.9	125.0	131.0	125.9	120.0	124.1	17
September	137.5	126.2	137.5	129.5	121.0	125.2	14
October	150.0	127.8	150.0	126.0	111.1	124.1	21
November	157.5	143.3	156.0	137.0	123.9	133.2	30
December	150.5	145.0	148.0	133.0	125.5	132.7	19
1956: January	156.0	146.1	154.9	135.0	125.1	133.9	22
February	148.9	135.8	135.8	135.1	127.0	130.0	14

Yokohama Raw Silk (20/22 A, per *kin*)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *hyo*)
1955: July	2,224	2,130	2,167	2,151	2,110	2,144	50
August	2,169	2,115	2,121	2,154	2,103	2,103	38
September	2,119	2,041	2,041	2,129	2,077	2,077	41
October	2,046	1,921	1,931	2,079	2,017	2,046	60
November	1,994	1,921	1,921	2,040	1,981	1,990	46
December	1,960	1,920	1,930	2,009	1,970	1,991	48
1956: January	1,969	1,904	1,904	1,980	1,944	1,944	34
February	1,924	1,900	1,900	1,958	1,932	1,944	35

Kobe Raw Silk (20/22 A, per *kin*)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *hyo*)
1955: July	2,210	2,135	2,180	2,153	2,112	2,144	21
August	2,169	2,121	2,144	2,151	2,109	2,109	15
September	2,122	2,059	2,060	2,125	2,075	2,077	18
October	2,053	1,935	1,935	2,079	2,016	2,044	28
November	2,000	1,925	1,936	2,039	1,986	1,991	19
December	1,971	1,926	1,931	2,017	1,980	1,996	24
1956: January	1,990	1,939	1,939	1,975	1,910	1,910	15
February	1,926	1,900	1,900	1,953	1,929	1,947	15

Toyohashi Cocoon (High grade, per 100 *momme*)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	411	393	393	422	409	416	76
August	403	390	394	424	407	408	61
September	393	361	361	415	388	392	68
October	375	344	353	395	372	384	92
November	369	354	354	383	327	374	68
December	387	350	387	391	365	384	77
1956: January	388	365	373	369	349	349	55
February	376	370	370	357	346	355	50

Nagoya Woollen Yarn (48, double, A grade, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: July	1,190	1,140	1,140	1,173	1,125	1,125	266
August	1,129	1,042	1,048	1,106	1,030	1,040	637
September	1,053	951	962	1,040	953	968	859
October	984	924	932	951	886	888	869
November	1,024	931	964	962	876	957	685
December	1,025	970	970	964	887	912	552
1956: January	1,004	967	1,000	924	871	916	499
February	1,030	988	1,030	929	900	919	568

Note: *mai*=cotton yarn··400 lbs., rayon yarn & spun rayon yarn··200 lbs., woollen yarn··100 lbs., cocoon··10 *kan* (1 *kan*=8.267 lbs.), rubber··250 lbs., *hyo*=raw silk.··99.2 lbs. *kin*=raw silk··160 *momme*.

21. Exports and Imports by Value and Indices

(1934–36=100 for indices)

Year & Month	Value (In $1,000)			Value (In million yen)			Export Indices			Import Indices			B/D
	Exports	Imports	Balance	Exports	Imports	Balance	Amount (A)	Per Unit (B)	Volume (A/B)	Amount (C)	Per Unit (D)	Volume (C/D)	
1954 Total	1,629,236	2,399,404	(↔) 770,168	586,525	863,785	(↔)277,260	..	..	..	..	..	..	..
1955 Total	2,010,600	2,471,430	(↔) 460,831	723,816	889,715	(↔)165,899	..	..	..	..	..	..	..
1955: June	▲159,595	▲212,436	▲(↔) 52,840	▲57,454	▲76,477	▲(↔)19,023	203.2	374.9	54.2	260.7	319.4	81.6	117.4
July	▲159,980	▲203,770	▲(↔) 42,790	▲57,593	▲73,357	▲(↔)15,764	204.2	376.8	54.2	249.4	313.9	79.4	120.0
August	▲175,985	▲206,848	▲(↔) 30,863	▲63,355	▲74,465	▲(↔)11,111	224.7	376.6	59.7	254.2	321.8	79.0	117.0
September	▲176,246	▲180,389	▲(↔) 4,142	▲63,449	▲64,940	▲(↔) 1,491	255.0	382.7	58.8	220.9	319.7	69.1	119.7
October	▲188,903	▲203,597	▲(↔) 12,694	▲68,005	▲72,575	▲(↔) 4,570	242.7	371.6	65.3	248.8	315.4	78.9	117.8
November	▲168,303	▲221,988	▲(↔) 55,685	▲60,589	▲80,636	▲(↔)20,047	214.9	379.0	56.7	274.0	312.6	87.7	121.2
December	▲249,180	▲233,344	▲ 15,835	▲89,705	▲84,004	▲ 5,701	..	..	..	..	..	..	..
1956: △January	149,333	218,347	(↔) 69,014	53,760	78,605	(↔)24,845	..	..	..	..	..	..	..

22. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1951 Total	1,297,324	943,257	2,240,581	1,725,111	184,167	1,909,278	331,303
1952 Total	1,289,186	949,942	2,239,127	1,718,361	206,454	1,924,815	314,312
1953 Total	1,156,399	963,638	2,120,037	2,100,998	212,718	2,313,716	(↔) 193,679
1954 Total	1,532,478	776,786	2,309,264	1,961,680	247,616	2,209,296	99,967
1955 Total	1,954,169	713,475	2,667,645	1,848,224	325,622	2,173,846	493,799
1955: July	165,306	58,027	223,334	156,498	22,076	178,575	44,758
August	168,901	66,088	234,989	163,041	23,965	187,006	47,983
September	190,646	67,038	257,685	149,220	26,506	175,727	81,958
October	178,748	61,616	240,401	142,043	29,690	171,734	68,666
November	174,499	62,094	236,594	154,858	33,040	187,899	48,694
December	198,174	70,595	268,769	177,042	30,464	207,506	61,263
1956: January	181,083	57,257	238,341	179,511	29,301	208,812	29,528
1955: January	140,548	50,993	191,541	127,419	28,225	155,644	35,897

23. Exports and Imports by Settlement Area

(In 1,000 dollars)

Year & Month	Exports								Imports							
	Total	%	Sterling	%	Open Account	%	Dollar	%	Total	%	Sterling	%	Open Account	%	Dollar	%
1951 Total	1,297,324	100	562,547	43	432,650	33	302,127	24	1,725,111	100	429,080	25	316,426	18	979,605	57
1952 Total	1,289,186	100	596,519	46	296,980	23	395,687	31	1,718,361	100	532,489	31	230,887	13	954,985	56
1953 Total	1,156,399	100	313,963	27	361,042	31	481,392	42	2,100,998	100	617,204	29	464,621	22	1,019,170	49
1954 Total	1,532,478	100	507,726	33	538,581	35	486,044	32	1,961,680	100	351,947	18	480,078	24	1,129,634	58
1955 Total	1,954,169	100	728,744	37	466,340	24	757,921	39	1,848,224	100	532,405	29	442,826	24	871,208	47
1955: July	165,306	100	63,001	38	35,596	22	66,650	40	156,498	100	53,801	34	38,519	25	46,102	41
August	168,901	100	56,974	34	42,376	25	69,487	41	163,041	100	53,259	33	40,203	25	69,517	43
September	190,646	100	67,767	36	40,360	21	82,475	43	149,220	100	49,958	34	34,403	23	64,778	43
Ocober	178,784	100	62,677	35	38,946	22	77,109	43	142,043	100	48,253	34	28,273	20	65,495	46
November	174,499	100	63,229	36	39,785	23	71,331	41	154,858	100	51,292	33	32,773	21	70,727	46
December	198,174	100	65,676	33	49,075	25	82,893	42	177,042	100	45,719	26	37,906	22	92,313	52
1956: January	181,083	100	66,583	37	37,454	21	76,112	42	179,511	100	47,090	26	37,530	21	93,907	53
1955: January	140,548	100	56,551	40	35,083	25	48,874	35	127,419	100	22,019	17	26,212	21	79,186	62

24. Indices for Industrial Activities

(1934–36=100)

Year & Month	Industrial Activities			Mining	Manufacturing									
	All	Public Works	Mining-Manufacturing		All	Food-stuff	Textiles	Printing & Binding	Chemicals	Rubber & Leather	Wood & Wood Products	Ceramics	Metals	Machinery
	(153)	(2)	(151)	(10)	(141)	(12)	(12)	(1)	(37)	(10)	(2)	(7)	(18)	(42)
1954 average	173.5	236.9	166.9	117.0	173.4	191.8	81.9	109.6	267.2	170.8	177.0	175.3	192.3	257.4
1955 ,,	▲187.8	254.7	▲180.7	117.2	▲189.4	▲206.6	▲85.9	▲125.1	▲317.4	▲177.7	▲186.6	▲175.7	▲218.9	▲249.9
1955: June	182.9	242.2	176.1	114.1	184.7	189.1	85.0	123.3	314.0	174.0	210.2	164.7	213.8	235.0
July	187.1	245.3	180.2	115.5	189.2	209.3	86.5	123.7	328.3	167.0	179.5	171.4	212.2	242.8
August	189.2	230.8	182.7	113.7	192.1	205.7	87.4	126.6	330.2	171.8	183.2	177.7	220.2	250.1
September	193.3	240.0	186.5	119.4	195.7	194.4	90.7	127.3	339.2	192.7	188.8	188.0	223.5	251.8
October	194.3	266.4	186.9	124.0	195.6	204.8	87.3	131.6	323.0	198.3	189.3	188.4	230.5	264.9
November	198.0	270.5	190.5	126.1	199.2	214.9	91.8	129.1	319.5	193.9	188.9	191.9	234.0	275.2
▲ December	206.0	290.5	298.0	128.2	207.5	234.8	91.1	127.6	349.7	197.6	197.7	192.4	238.9	285.9
1956: January	191.0	288.8	183.1	121.0	191.6	199.3	85.2	118.2	327.3	181.8	197.7	176.5	225.8	256.6

Note: △Provisional figures. ▲Revised at source. In Table 24, figures in parentheses mean items represented.

Source: Table 21, Finance Ministry for value and Economic Planning Board, for indices; Table 22 & 23 Foreign Exchange Control Dept., Bank of Japan; Table 24, Economic Planning Board. *Canadian dollars & Swiss francs are included. **German marks are included.

25. Coal Supply & Demand

(1,000 metric tons)

Year & Month	Carry-overs (A)	Coal Output (B)	Deliveries			Losses (D)	Month-end Stocks			
			Total (C)	To Industries (Classifiable)	To Industries (Unclassifiable)		Total (A+B)-(C+D)	At Collieries	At Port	At Market
1955: July	3,524	3,421	3,230	3,228	2	6.6	3,722	1,127	1,251	1,343
August	3,722	3,316	3,515	3,597	(-) 82	4.6	3,527	1,062	1,120	1,346
September	3,527	3,549	4,025	3,990	35	24.8	3,075	967	952	1,156
October	3,076	3,736	3,705	3,859	(-) 154	10.1	3,117	920	1,005	1,192
November	3,117	3,866	4,194	4,210	(-) 16	9.0	2,797	795	856	1,146
December	2,797	3,903	4,196	4,305	(-) 109	8.9	2,512	618	875	1,037

26. Electric Energy Consumption (1,000 KWH)

Supplied by Power Companies (Over 500 kw) 1955					Industries	Self-generated 1955				
July	August	September	October	November		June	July	August	September	October
218,784	206,717	210,282	217,754	220,188	Mining	50,632	47,271	49,661	47,458	54,297
94,735	35,206	31,901	26,964	29,358	Foodstuffs	632	370	626	418	1,371
137,628	133,748	134,883	115,413	144,133	Spinning	784	633	620	814	638
179,862	173,595	177,387	185,205	182,253	Paper & Pulp	60,733	57,709	61,488	66,012	68,812
713,887	528,523	622,737	738,524	643,721	Chemicals	235,531	232,301	190,155	207,624	209,237
12,867	12,095	12,944	12,493	13,096	Oil & Coal Products	1,774	1,906	1,849	1,924	2,199
13,722	13,766	15,346	16,120	16,154	Rubber Goods	—	—	—	—	—
40,013	39,825	40,935	42,253	43,826	Glass & Ceramics	93,113	95,772	97,197	107,781	107,436
429,015	370,451	391,832	473,934	434,918	Primary Metals	205,143	210,524	180,615	195,355	225,283
6,569	7,046	7,018	7,209	7,294	Metal Products	—	—	—	—	—
25,501	25,660	26,478	28,233	29,207	Machinery	66	114	—	148	303
34,224	31,717	35,399	42,400	44,792	Electric Machinery & Tools	—	—	—	—	—
50,747	52,639	54,161	58,358	59,371	Transportation Machinery & Tools	—	—	—	—	—
8,889	8,758	7,962	..	8,524	Other Manufacturing	—	—	—	—	—
1,687,659	1,433,030	1,737,868	1,975,793	1,656,647	Manufacturing Total	597,779	599,297	532,672	580,076	696,199
243,634	254,402	248,927	248,729	256,077	Public Utilities	89,547	92,615	89,940	92,157	54,508
104,592	101,444	97,108	96,701	100,691	Others	162	—	—	—	—
2,254,669	1,995,593	2,106,247	2,330,888	2,233,602	Total	648,785	739,183	672,604	719,691	750,687

27. Supply & Demand of Raw Silk

(In bales=123 lbs.)

Year & Month	Raw Silk						Silk Fabrics	
	Production	Exports	Domestic Deliveries	Stocks at Month-end	U.S. Consumption		Production	Exports
					Consumption	Stocks at Month-end		
1955: June	19,878	3,677	15,464	8,948	3,866	5,550	15,805	2,379
July	31,468	7,267	20,218	12,931	3,405	4,225	15,930	▲2,225
August	30,563	9,404	18,855	15,235	4,321	4,954	15,842	2,358
September	30,221	10,934	19,720	14,802	4,899	6,158	15,976	2,425
October	29,009	9,804	17,496	16,511	5,064	7,519	15,036	2,548
November	▲27,711	8,951	▲17,906	▲17,360	5,446	8,234	▲15,158	2,180
December	28,059	9,436	18,895	17,064	5,439	8,651	14,206	..
1955: January~December	289,476	86,514	199,017	—	54,893	—	183,516	24,891
1954: January~December	257,915	75,986	179,790	—	48,546	—	161,039	22,348

28. Supply & Demand of Paper and Pulp

Year & Month	Pulp (long ton)				Paper, Western Style (in 1,000 pounds)				Cardboard & Japanese Style Paper (in 1,000 pounds)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Consumption	In Stock	Production	Deliveries	Self-Consumption	In Stock
1955: June	155,902	83,964	76,931	28,917	258,511	241,906	6,808	110,221	402,659	367,152	17,520	176,401
July	158,220	85,409	73,366	28,362	260,900	240,893	7,262	122,967	403,325	366,191	17,992	195,542
Aug.	156,892	84,910	72,935	27,409	261,408	246,028	7,791	130,556	403,887	378,227	18,125	203,076
Sept.	161,806	87,449	75,448	26,318	268,230	253,885	7,779	137,122	419,981	402,847	19,789	200,421
Oct.	164,151	88,837	72,003	29,629	272,932	259,234	7,381	143,439	432,058	410,991	19,778	201,709
Nov.	167,115	89,634	77,115	29,995	268,174	254,154	7,618	149,841	429,645	407,208	18,953	205,194
1954: Nov.	138,011	74,103	65,717	57,515	232,168	240,008	6,507	143,840	364,465	367,579	17,588	208,536

29. Supply & Demand of Soda and Ammonium Sulphate

(In metric tons)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1955: June	181,898	158,806	4,647	23,461	21,725	4,034	43,526	38,966	7,809
July	185,378	127,223	9,393	28,070	26,286	4,186	43,564	38,443	8,032
August	161,467	152,543	103,499	28,488	26,004	5,198	43,537	37,882	7,452
September	177,718	160,363	114,236	27,138	25,286	5,449	44,360	37,011	8,172
October	175,501	168,144	114,049	29,368	28,192	4,930	47,842	39,161	9,537
November	178,376	134,232	152,901	29,235	27,285	5,349	46,024	38,823	9,592
December	173,329	185,706	136,256	29,879	31,072	2,742	47,033	41,659	7,766
1954: December	185,350	159,819	83,567	26,305	26,220	5,482	40,514	34,957	11,883

Sources: 25. Natural Resources Agency. 26. Public Utilities Bureau. 27. Central Raw Silk Association. 28. MITI. 29. MITI

▲ Revised at source.

30. JPA Procurement Contracts (In $1,000)

	Contracts (Weekly total)			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
1951 Average	29,470	21,209	8,261	—	—	—
1952 ,,	25,552	15,495	10,057	—	—	—
1953 ,,	36,989	21,733	15,256	—	—	—
1954 ,,	21,291	10,244	11,047	—	—	—
1955 ,,	14,823	5,566	9,257	—	—	—
1955: August	8,979	3,769	5,210	1,658,830	891,237	677,593
September	9,467	4,916	4,551	1,667,593	986,116	681,477
October	21,674	4,063	17,611	1,689,197	990,087	699,110
November	8,338	5,009	3,329	1,697,161	▲994,949	▲702,212
December	9,491	4,192	5,299	1,706,591	999,045	707,546

Source: Economic Planning Board.

31. JPA Procurement Payments (In $1,000)

	Monthly			Cumulative total as from June 26, 1950		
	Total	U.S.'s Burden	Japan's Burden	Total	U.S.'s Burden	Japan's Burden
1954 Total	453,674	268,679	184,995	—	—	—
1955 Total	355,664	233,875	121,789	—	—	—
August	31,488	22,463	9,025	2,168,176	1,690,074	478,102
September	31,950	23,477	8,473	,,	,,	,,
October	25,964	18,383	7,581	,,	,,	,,
November	26,373	18,276	8,097	,,	,,	,,
December	30,757	22,947	7,810	2,283,220	1,773,157	510,063

Source: American Embassy Economic Section.

32. Department Store Sales (In million yen)

	By Month	No. of Stores	Total	Clothing	Sundry Goods	Household Utensils	Provisions	Dining Room	Services	Outside Store Sales	Others	Gift Certificates
Total	1955: April	158	16,626	7,548	3,671	1,617	2,488	502	187	442	172	187
	May	158	14,788	6,621	2,965	1,546	2,314	503	167	500	172	134
	June	158	14,712	7,104	2,714	1,607	1,996	453	139	541	158	139
	July	158	19,311	8,487	3,764	2,060	3,382	577	139	718	176	553
	August	158	14,238	5,132	3,019	1,455	3,243	595	126	490	179	357
	September	158	12,452	5,642	2,441	1,200	2,007	426	138	449	148	103
	October	158	17,367	8,832	3,038	1,654	2,467	470	193	536	177	141
	November	158	19,534	10,694	3,028	1,849	2,491	478	202	612	180	158
	December	158	41,017	20,914	6,904	3,537	7,437	600	258	1,066	303	1,151
Big Six Cities	1955: April	50	11,939	5,382	2,659	1,197	1,713	335	141	395	117	112
	May	50	10,555	4,687	2,134	1,134	1,565	328	128	455	124	81
	June	50	10,670	5,119	1,982	1,221	1,352	305	105	493	113	89
	July	50	14,450	6,187	2,858	1,567	2,548	395	107	668	121	395
	August	50	9,619	3,306	2,116	1,025	2,137	382	94	438	122	140
	September	50	9,054	4,047	1,806	901	1,384	290	106	414	106	57
	October	50	12,563	6,317	2,227	1,226	1,708	320	145	492	128	86
	November	50	14,153	7,660	2,199	1,382	1,740	324	154	563	132	102
	December	50	29,800	14,934	5,036	2,601	5,433	405	194	981	216	668
Provincial	1955: April	108	4,687	2,166	1,012	420	775	167	46	47	55	× 75
	May	108	4,233	1,934	831	412	750	174	39	44	49	53
	June	108	4,042	1,985	733	406	644	148	34	48	45	50
	July	108	4,860	2,300	906	493	841	182	32	50	55	158
	August	108	4,619	1,825	903	429	1,107	213	33	52	57	140
	September	108	3,397	1,595	635	299	624	136	32	35	42	46
	October	108	4,804	2,515	811	428	759	149	48	44	49	54
	November	108	5,381	3,034	828	467	751	154	48	50	48	57
	December	108	11,217	5,980	1,868	936	2,003	194	65	84	87	483

Source: Ministry of International Trade & Industry.

33. Labor Population Survey (In 1,000)

Year & Month	Total (1) Population	Population 14 years old and over						Agriculture & Forestry		Non-Agricultural Industry	
		Total (2)	Labor Force: Total of the following three columns	Labor Force: Agriculture & Forestry	Labor Force: Non-Agricultural Industries	Labor Force: Totally Unemployed	Not in Labor Force	Not at Work (3)	At Piece-Work (4)	Not at Work (3)	At Piece-Work (4)
1953 Average	86,780	58,310	39,700	17,130	22,120	450	18,620	260	6,270	300	3,360
1954 ,,	88,030	59,280	40,510	16,670	22,910	580	19,080	250	5,790	310	3,360
1955 ,,	89,110	60,920	41,800	—	—	—	19,840	—	—	—	—
1955: September	89,300	61,040	42,640	17,820	24,140	670	18,300	170	6,950	290	4,170
October	89,400	61,440	44,110	19,140	24,250	720	17,240	140	5,320	320	3,500
November	89,400	61,410	43,180	17,560	25,050	570	18,130	160	5,750	250	3,440
December	89,500	61,350	41,410	15,070	25,770	570	19,840	230	7,210	270	3,640
1956: January	89,630	62,050	39,530	13,560	25,290	680	22,430	270	7,140	330	4,140
1955: January	88,700	59,870	36,730	13,000	23,100	630	23,070	440	8,090	300	4,510

Notes: (1) Since August, 1950, total population is the estimated total population as of the 1st of next month. × Revised.
(2) Including persons whose labor force status was unknown.
(3) Among the persons holding jobs but not at work during the survey week, the following are defined as not at work: self-employed workers are not at work provided that their employees or unpaid family workers are engaged in their business during the survey week; employees are not at work provided that either they received or are expected to receive payment.
(4) Those whose working hours total only 1~34 hours in a week.

Source: Bureau of Statistics, Office of the Prime Minister.

34. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Authorized (Paid-up) Capital In million yen	Dividends	1956 February High	1956 February Low	1956 Mar. 15
Transportation		%	¥	¥	¥
Iino Kaiun	6,600	—	58	55	56
Mitsubishi Shipping	1,600	—	84	76	76
Mitsui Steamship	5,400	—	55	52	48
Nippon Express	7,200	16	205	194	214
Nitto Shosen	2,000	—	67	60	64
N.Y.K.	7,600	—	70	64	62
O.S.K.	7,600	—	51	49	49
Tobu Railway	800	13	146	139	153
Tokyo El. Express Railway	1,500	15	143	130	147
Mining & Oil					
Furukawa Mining	1,352	—	90	80	95
Mitsui Mining & Smelting	2,400	18	127	113	119
Mitsubishi Mining	1,800	—	64	58	61
Mitsubishi Metal Mining	2,100	15	144	132	140
Mitsui Mining	1,200	—	69	60	64
Nihon Mining	2,100	15	142	133	139
Nittetsu Mining	300	30	345	325	324
Nippon Oil	4,500	20	106	102	108
Showa Oil	1,700	20	144	129	140
Sumitomo Coal Mining	600	—	70	63	66
Sumitomo Metal Mining	1,300	15	146	134	156
Teikoku Oil	2,000	15	85	73	88
Shipbuilding & Machinery					
Ebara Mfg.	400	20	177	148	167
Fuji Electric	1,500	18	93	85	92
Furukawa Electric	3,000	12	81	77	81
Hitachi, Ltd.	6,600	15	94	91	93
Hitachi Shipbuilding	3,160	10	76	71	74
Japan Precision Ind.	400	20	163	145	157
Japan Rolling Stock Mfg.	440	20	123	118	128
Kawasaki Dockyard	3,360	12	73	67	71
Mitsubishi Elec. Mfg.	3,600	18	91	83	87
Mitsubishi Heavy Ind., Reorg	5,600	12	99	90	99
Mitsubishi Japan Heavy Ind.	3,000	12	72	62	67
Mitsubishi Shipbldg. & Eng.	2,800	12	109	102	103
Mitsui Shipbldg. & Eng.	1,120	16	138	130	134
Nippon Electric	1,000	15	110	100	114
Nippon Kogaku	310	15	148	136	139
Yokogawa Electric	300	20	153	133	165
Tokyo Shibaura Electric	6,392	12	76	72	76
Steel & Metal					
Fuji Iron & Steel	8,400	12	73	70	71
Kawasaki Steel	4,000	—	62	57	59
Nippon Light Metal	2,475	10	173	163	172
Nippon Kokan	5,000	15	102	91	101
Sumitomo Metal Ind.	5,000	10	67	62	65
Yawata Iron & Steel	9,600	12	75	74	74
Textiles					
Asahi Chemical	(B) 2,450	25	442	402	443
Chuo Textile	500	10	60	51	53
Dai Nippon Spinning	5,250	18	103	93	101
Daito Woollen Spinning	1,200	20	125	119	126
Fuji Spinning	2,000	20	138	120	135
Japan Wool Textile	1,280	30	247	240	253
Kanegafuchi Spinning	1,780	20	171	147	166
Katakura Industry	1,000	—	40	31	34
Kokoku Rayon	3,000	10	70	68	72
Kokusaku Pulp	1,200	20	146	131	135
Kurashiki Rayon	1,500	15	157	149	151
Kurashiki Spinning	2,000	20	135	107	132
Kureha Spinning	1,750	12	86	75	89
Mitsubishi Rayon	1,500	20	151	114	153
Nippon Pulp Ind.	1,600	20	125	115	122
Nisshin Cotton Spinning	1,040	30	258	238	259
Nitto Spinning	1,350	15	90	83	86
Ohmi Kenshi Spinning	1,000	10	94	61	88
Sanyo Pulp	2,175	20	170	152	158
Teikoku Linen	720	—	45	36	43
Teikoku Rayon	3,200	20	178	162	173
Toho Rayon	1,500	20	127	120	124
Tohoku Pulp	1,560	20	158	132	150
Toyo Rayon	3,000	20	240	231	238
Toyo Spinning	4,300	22	185	176	183

Names of Shares	Authorized (Paid-up) Capital In million yen	Dividends	1956 February High	1956 February Low	1956 Mar. 15
Food & Fishery		%	¥	¥	¥
Ajinomoto	1,640	30	290	282	292
Asahi Breweries	1,460	20	183	175	178
Dainippon Sugar Mfg.	720	25	160	145	157
Honen Oil	600	20	153	142	155
Kirin Brewery	1,230	22	210	202	214
Meiji Confectionery	560	25	192	179	197
Morinaga Confectionery	750	26	183	173	183
Nippon Breweries	1,460	20	169	160	163
Nippon Cold Storage	1,600	20	119	115	124
Nippon Flour Mills	720	20	126	124	126
Nippon Suisan	2,800	15	111	100	107
Nisshin Flour Milling	1,000	20	122	120	122
Noda Soy Sauce	800	30	194	185	189
Takara Shuzo	2,380	20	139	133	139
Chemicals					
Asahi El. Chemical	500	15	133	120	110
Dainippon Celluloid	1,000	15	125	117	123
Electro-Chemical	1,020	20	157	145	154
Japan Oil & Fat	1,000	—	44	38	40
Kansai Paint	400	20	120	118	125
Kyowa Fermentation Ind.	1,166	20	132	119	130
Mitsubishi Chem. Ind.	2,885	10	117	100	124
Mitsui Chemical Ind.	800	20	181	168	181
New Japan Nitro-Fertilizer	1,200	15	107	102	101
Nippon Carbide	340	15	139	104	132
Nippon Chem. & Medicine	500	20	160	140	151
Nippon Soda	1,160	15	139	123	125
Nippon Synthetic Chem. Ind.	420	15	116	110	118
Nissan Chemical Ind.	2,000	15	86	80	90
Nitto Chem. Ind.	2,000	15	109	106	111
Sankyo	520	25	175	168	188
Showa Denko	2,200	15	132	124	129
Sumitomo Chemical	4,000	20	111	107	114
Toa Gosei Chemical Ind.	1,200	20	147	131	159
Toyo Koatsu Ind.	1,800	20	177	162	177
Miscellaneous					
Asahi Glass	3,100	20	185	167	179
Fuji Photo Film	2,000	20	158	146	151
Konishiroku Photo Industry	1,200	20	115	109	115
Nippon Musical Instruments	300	25	193	186	198
Nippon Sheet Glass	1,200	20	162	151	154
Toyo Ssikan	(A) 400	20	1,700	1,620	1,760
Tokyo Rope	420	10	151	149	150
Yokohama Rubber	894	8	145	139	143
Paper & Printing					
Hokuetsu Paper Mills	900	10	70	65	67
Honshu Paper	2,000	12	90	86	86
Jujo Paper	1,120	30	267	256	260
Mitsubishi Paper Mills	900	15	92	87	91
Oji Paper	1,600	25	238	229	234
Toppan Printing	300	23	178	164	180
Lumber & Ceramics					
Iwaki Cement	800	40	265	258	271
Nihon Cement	2,500	24	165	148	153
Nippon Gaishi	350	25	218	206	212
Nippon Toki	350	25	210	197	200
Onoda Cement	5,120	18	91	88	90
Land, Warehouse & Trade					
Heiwa Real Estate	1,260	10	216	199	203
Mitsui Bussan	878	20	174	160	162
Mitsui Real Estate	200	20	789	764	762
Mitsubishi Estate	2,064	20	186	174	173
Mitsubishi Shoji	2,500	16	163	153	158
Mitsubishi Warehouse	600	10	97	89	89
Dept. Stores & Amusements					
Mitsukoshi	1,860	23	294	279	280
Nikkatsu	3,287	15	78	71	75
Shochiku Motion Picture	1,320	25	219	205	204

Notes: (A) 500 yen shares. (B) 100 yen shares, others 50 yen. □ ex-new.

35. Exports and Imports by Country

(In million yen)

Settlement Area	Countries	Exports				Imports			
		1954 Total	1955 Total	Nov. 1955	Dec. 1955	1954 Total	1955 Total	Nov. 1955	Dec. 1955
	Total Exports & Imports	586,562	723,816	60,590	89,707	863,785	889,715	80,577	84,326
	Asia Total	286,846	303,460	23,913	39,700	265,259	325,421	30,237	30,325
0	Korea	24,684	14,218	893	1,540	2,911	3,434	253	354
$	China	1,878	20,277	607	2,038	14,677	29,080	2,616	3,232
$	Ryukyu Islands	15,529	18,288	1,919	2,315	3,645	5,738	609	764
£	Hong Kong	27,815	31,702	2,693	4,229	1,426	2,221	268	310
0	Formosa	23,734	22,978	2,423	3,345	20,552	29,116	3,011	1,508
	Southeast Asia Total	161,444	203,270	16,593	26,866	165,301	189,834	16,307	17,217
0	Indo-China	4,654	13,245	1,659	2,215	5,233	1,982	136	175
0	Thailand	23,438	22,691	2,328	2,519	24,901	22,841	496	633
£	Malayan Union	3,360	4,852	472	580	20,326	33,416	3,859	2,895
£	Singapore	13,281	21,355	1,851	2,501	2,648	5,892	694	864
0	Philippines	11,229	18,651	1,382	2,096	24,166	32,023	2,666	2,527
£	British Borneo	179	377	25	36	6,986	7,707	995	554
0	Indonesia	43,097	23,297	2,033	3,299	21,682	29,219	3,824	4,054
£	Burma	16,413	13,786	614	817	22,713	16,477	109	169
£	India	15,788	30,503	2,057	4,132	18,562	27,823	3,192	4,152
£	Pakistan	20,160	15,839	742	3,483	13,028	16,951	962	1,327
£	Ceylon	6,226	7,353	762	995	950	989	101	111
$	Portuguese India	170	271	45	6	2,347	2,140	114	432
$	Afghanistan	2,734	1,993	72	285	1,325	878	22	118
$	Iran	8,446	8,072	129	337	7,722	7,920	439	983
£	Iraq	6,110	7,756	408	824	217	2,055	326	286
£	Aden	3,348	3,461	169	467	102	1,159	115	120
$	Saudi Arabia	999	2,372	206	334	39,916	35,169	4,170	3,409
£	Kuwait	1,682	2,265	159	319	3,887	5,914	517	674
0	Turkey	2,444	1,272	2	424	2,091	396	—	108
£	Jordan	562	637	40	58	50	356	70	—
$	Syria	1,355	2,502	55	232	222	1,425	164	397
$	Lebanon	458	434	30	76	146	37	—	—
	Europe Total	52,665	74,086	6,032	8,947	69,526	62,999	6,175	5,786
0	Sweden	3,031	4,815	358	545	3,268	1,712	179	234
$	Denmark	471	2,123	835	81	1,343	685	59	15
£	United Kingdom	18,405	21,876	1,261	3,148	13,358	13,650	1,384	1,246
0	Netherlands	7,855	9,627	796	761	4,227	4,129	261	269
$	Belgium & Luxemburg	2,896	3,736	327	435	4,955	3,248	140	196
0	France	4,189	4,182	491	551	7,400	5,507	233	336
0	West Germany	6,514	9,058	489	956	15,880	16,648	1,176	1,327
$	East Germany	880	1,145	—	—	1,897	1,858	0	2
$	Switzerland	1,708	2,259	213	340	3,925	4,573	325	434
$	Spain	564	1,235	170	475	4,783	4,242	1,449	828
0	Italy	1,940	2,846	462	478	6,295	4,717	869	622
$	Norway	420	542	96	53	150	98	5	3
0	Finland	551	1,419	9	43	815	474	28	106
$	Austria	282	818	90	108	324	320	36	53
	North America Total	125,456	191,536	17,078	21,837	396,858	367,588	33,578	35,150
$	Canada	7,576	16,254	1,727	2,001	44,117	39,175	2,673	3,828
$	U.S.A.	99,655	161,722	14,063	18,647	304,899	278,021	24,756	26,326
$	Mexico	10,363	2,656	112	238	33,219	30,230	3,124	2,837
$	Nicaragua	1,397	926	56	74	3,031	4,725	664	303
$	Cuba	1,092	1,747	284	159	8,739	9,906	1,420	1,471
$	Panama	554	2,166	452	65	909	323	23	8
$	Colombia	3,415	2,556	241	341	200	257	33	22
$	Ecuador	477	549	21	33	2,122	74	9	15
	South America Total	56,924	53,533	4,757	7,468	63,829	37,432	3,553	2,204
$	Peru	1,670	1,796	163	277	7,315	3,880	541	416
0	Brazil	28,155	12,032	1,054	1,694	26,580	21,340	1,946	971
0	Argentina	17,592	28,485	2,614	3,472	21,800	8,006	810	626
$	Chile	447	1,401	25	767	863	278	12	—
$	Uruguay	892	742	170	209	794	2,341	7	1
	Africa Total	49,857	74,009	6,655	9,248	18,462	22,664	1,630	2,854
0	Egypt	2,312	5,124	298	406	10,086	10,643	677	1,271
£	Nigeria & Gold Coast	15,305	22,034	1,994	2,110	111	62	12	—
$	Liberia	9,055	19,060	1,828	3,650	87	19	5	4
$	Belgian Congo	4,249	1,226	94	110	25	45	—	4
£	British Congo	1,247	7,248	1,069	783	2,173	2,610	345	683
£	Union of South Africa	10,885	10,382	709	1,159	3,807	6,295	449	567
	Australia & Oceania Total	14,794	27,181	2,155	2,506	49,769	73,569	5,389	8,007
£	Australia	10,155	19,842	1,324	1,954	42,160	63,974	4,558	6,999
£	New Zealand	941	2,833	392	146	1,612	2,419	226	215
$	Hawaii	2,092	2,478	290	226	638	365	2	2
£	New Caledonia	105	230	64	31	1,217	2,483	255	378
0	French Oceania	74	74	3	8	1,425	1,513	48	106
$	Guam	405	210	51	—	727	712	72	111

Source: Finance Ministry.

Note: 0 denotes open account area; $, dollar area; £, sterling area.

36. Exports by Major Articles

(In million yen)

Articles	Unit	1955		1955			
		Aggregate		November		December	
		Volume	Value	Volume	Value	Volume	Value
Food, Beverage & Tobacco	—	—	47,793	—	4,807	—	6,056
Fish & Shellfish	m.t.	155,108	27,226	14,857	2,662	16,287	3,154
Canned, Bottled Fish	,,	62,206	16,446	6,410	1,693	7,432	2,160
Cereals	—	—	1,287	—	246	—	115
Fresh & Frozen Fruit	m.t.	116,516	9,276	17,186	1,145	18,523	1,859
Sugar & Its Products	m.t.	34,039	1,434	94	18	121	25
Tea	1,000 lbs.	31,954	3,510	1,880	183	3,204	291
Beer	kl.	6,339	507	316,388	26	626	52
Tobacco	—	—	471	—	86	—	49
Raw Materials	—	—	35,285	—	3,259	—	4,227
Lumber	cu.m.	442,008	10,438	42,482	927	48,640	1,022
Textile Fibre	1,000 lbs.	69,061	20,821	5,131	1,982	8,253	2,824
Raw Silk	bales	86,712	18,005	8,485	1,718	11,875	2,383
Fertilizers & Mineral Products	—	—	252	—	26	—	26
Animal & Vegetable Materials	—	—	2,257	—	254	—	309
Coal & Petroleum	—	—	2,546	—	221	—	342
Animal & Vegetable Oils	—	—	6,381	—	231	—	588
Animal Oil	m.t.	—	5,448	—	207	—	336
Cod-liver Oil	,,	6,729	2,155	836	188	600	183
Vegetable Oil	,,	8,036	916	132	22	2,053	247
Chemicals, Drugs	—	—	33,751	—	2,720	—	4,272
Pharmaceuticals	—	—	2,997	—	217	—	434
Chemical Fertilizer	m.t.	762,875	15,010	62,722	1,150	94,026	2,086
Manufactured Products by Material	—	—	414,867	—	33,433	—	49,697
Rubber Goods	—	—	4,359	—	377	—	611
Tyres & Inner Tubes	m.t.	9,281	3,345	784	302	1,091	454
Wood & Cork Products	—	—	15,763	—	1,032	—	1,200
Paper & Related Products	m.t.	82,096	6,627	6,179	559	7,546	656
Textiles	—	—	210,588	—	16,925	—	27,641
Woollen Yarn	1,000 lbs.	7,877	6,263	646	507	1,091	904
Cotton Yarn	,,	26,226	8,756	1,928	713	4,175	1,340
Rayon Yarn	,,	18,046	3,231	637	114	4,658	831
Spun Rayon Yarn	,,	39,224	5,897	2,578	361	3,464	523
Cotton Fabrics	1,000 sq. yds.	1,139	82,757	91,804	6,613	164,630	12,102
Silk Fabrics	,,	30,022	5,622	2,289	467	4,535	837
Woollen Fabrics	,,	17,751	10,003	1,077	605	1,601	904
Artificial Fibre Fabrics	,,	895,631	55,686	80,344	5,166	108,892	7,169
Non-Metallic Minerals	—	—	30,625	—	2,517	—	3,324
Cement	m.t.	1,206,244	8,098	105,119	699	117,888	726
Glass Products	—	—	4,634	—	343	—	444
Chinaware	—	—	15,106	—	1,147	—	1,686
Precious Metals & Gems	—	—	7,846	—	689	—	877
Cultured Pearls	kg.	18,223	3,633	1,801	362	2,106	412
Base Metals & Products	—	—	117,096	—	9,396	—	12,709
Iron & Steel	m.t.	1,988,521	93,418	145,750	7,886	195,670	10,707
Steel Bars & Shapes	,,	356,875	11,401	27,674	993	35,081	1,264
Steel Plates (ungalvanized)	,,	344,719	16,801	24,626	1,447	40,053	2,201
Copper	,,	41,184	13,257	1,175	441	1,757	699
Nickel	,,	2,213	2,261	153	222	277	327
Aluminium	,,	24,883	5,033	1,826	411	1,481	349
Metal Products	—	—	21,845	—	1,931	—	2,670
Machinery & Transportation Equipment	—	—	88,835	—	7,422	—	13,062
Machinery (excl. electric machines)	—	—	34,848	—	2,422	—	3,783
Prime Movers	—	—	—	—	—	—	—
Metal Processing Machines	—	—	74	—	54	—	74
Textiles Machines & Parts	—	—	702	—	551	—	702
Sewing Machines & Parts	—	—	1,462	—	1,098	—	1,462
Electric Machines	—	—	1,247	—	736	—	1,247
Gen. Motors, Trans. & Alternators	unit	—	143	—	97	—	143
Electric Bulbs	1,000 pcs.	11,456	104	7,097	68	11,456	104
Transportation Equipment	—	—	8,032	—	4,265	—	8,032
Railway Rolling Stock	—	—	1,530	—	544	—	1,530
Automobiles	—	—	1,091	—	163	—	1,091
Bicycles & Parts	m.t.	—	378	—	318	—	378
Ships	unit	30	5,032	16	3,230	30	5,032
Miscellaneous (incl. others)	—	—	10,873	—	8,006	—	10,873
Camera	—	20,922	172	20,310	146	20,922	172
Toys	m.t.	5,457	1,652	3,541	1,142	5,457	1,652
Totals Exports (incl. others)	—	—	723,816	—	60,590	—	89,705

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.
Source: Customs Division, Tax Bureau, Ministry of Finance.

37. Imports by Major Articles

(In million yen)

Articles	Unit	1955		1955			
		Aggregate		November		December	
		Volume	Value	Volume	Value	Volume	Value
Food, Beverage & Tobacco	—	—	220,038	—	19,812	—	18,520
Cereals (rice, wheat & barley, etc.)	m.t.	—	158,437	337,936	12,935	366,739	11,920
Fruit & Vegetables	,,	149,625	7,191	10,410	433	9,742	493
Sugar	,,	1,243,131	43,692	134,760	4,896	133,424	5,045
Coffee	1000. lbs.	9,058	2,044	1,158	251	1,089	233
Spirits	l.	—	274	—	24	—	31
Raw Materials	—	—	441,281	—	38,452	—	43,682
Hides & Skins	m.t.	61,763	8,055	4,308	6,032	5,780	830
Cow Hide	,,	47,041	5,214	3,054	368	3,976	473
Box Calf	,,	8,000	2,008	635	176	844	231
Oil Seeds	,,	1,135	52,928	68,784	3,109	127,429	5,375
Peanuts	,,	14,554	1,238	218	16	198	15
Copra	,,	50,736	3,829	4,759	347	4,067	298
Soy-beans	,,	808,177	35,368	38,520	1,571	98,660	3,850
Rubber	,,	109,057	26,905	10,073	3,034	11,493	3,164
Crude Rubber	,,	87,669	23,852	7,438	2,541	8,920	2,753
Latex	,,	7,160	1,522	653	174	657	166
Synthetic Rubber	,,	5,199	1,374	1,143	304	798	223
Lumber & Cork	c.m.	—	22,909	—	1,818	—	1,817
Lumber	,,	2,051,859	22,243	188,997	1,791	165,829	1,772
Cork	m.t.	6,568	616	154	23	259	37
Pulp & Scrap Paper	—	—	6,849	—	687	—	594
Fibres & Textiles	1,000 lbs.	1,498,630	210,799	134,253	17,164	159,584	20,406
Silk (incl. cocoons)	1,000 lbs.	1,904	407	134	36	152	33
Wool	,,	214,191	63,376	16,228	4,364	23,155	6,034
Cotton	,,	972,061	130,318	90,277	11,303	101,306	12,648
Cotton Linter	,,	30,754	773	689	23	2,959	66
Waste Cotton	,,	87,211	6,920	8,252	568	10,307	714
Hard & Bast Fibres	,,	117,856	7,823	17,258	722	19,946	777
Jute	,,	69,843	2,604	6,097	228	8,459	270
Flax	,,	5,554	608	390	34	256	13
Sisal Hemp	,,	27,212	937	2,425	90	4,205	150
Manila Hemp	,,	71,196	3,324	7,466	365	7,017	341
Fertilizers & Non-metallic Minerals	m.t.	—	36,975	—	3,729	—	3,311
Fertilizers	,,	2,369,295	23,959	238,516	2,280	165,837	1,587
Salt	,,	2,025,019	7,775	224,967	902	276,743	1,122
Asbestos	,,	20,400	1,436	2,067	146	2,013	133
Magnesite	,,	53,486	923	5,574	95	6,584	118
Metals & Ores	m.t.	7,784,569	66,867	759,113	7,438	716,327	7,357
Iron Ore	,,	5,459,458	29,354	492,032	2,719	478,995	2,936
Scrap Iron	,,	1,286,959	22,951	144,401	2,831	140,496	2,901
Non-ferrous Metals	,,	1,021,375	12,063	121,212	1,629	95,224	1,192
Nickel	,,	44,196	2,150	3,978	223	3,084	146
Aluminium	,,	307,530	2,435	30,286	251	45,641	362
Manganese	—	343,312	1,513	34,953	156	13,132	67
Animal Materials	—	—	3,039	—	221	—	214
Vegetable Materials		—	5,948	—	619	—	613
Coal & Petroleum	—	—	104,040	—	11,438	—	10,257
Coal	m.t.	2,861,923	20,237	304,192	2,270	217,845	1,612
Anthracite	,,	267,398	1,732	7,020	52	18,895	129
Bituminous (for coking)	,,	2,575,281	18,437	291,372	2,193	190,700	1,450
Petroleum	k.l.	12,114,718	81,563	1,293,172	9,003	1,225,150	8,470
Crude & Unrefined	,,	8,501,530	53,507	931,890	5,982	882,851	5,681
Gasoline	,,	348,347	4,620	21,538	279	37,511	531
Kerosene & Gas Oil	,,	222,681	2,225,912	90,883	903	31,229	311
Fuel Oil	,,	3,004,426	19,763,472	249,954	1,728	269,055	1,804
Lubricants (excl. grease)	,,	29,789	1,324	2,280	102	4,427	142
Petroleum Coke	m.t.	125,959	1,285	10,582	103	10,950	111
Animal & Vegetable Oils	—	—	13,118	—	1,042	—	1,181
Animal Fats & Oils	m.t.	117,680	9,173	8,580	675	10,777	836
Vegetable Oils	,,	37,536	3,695	3,403	345	3,088	319
Chemical, Drugs	—	—	28,874	—	2,905	—	2,946
Manufactured Products by Material	—	—	21,052	1,924	1,945	—	2,210
Hides, Leathers & Furs	m.t.	—	964	82,669	12	—	111
Rubber Goods	—	—	230	15,091	25	—	35
Paper & Related Products	m.t.	1,456	229	452	35	47	14
Yarns & Fabrics	—	—	3,213	—	178	—	331
Base Metals	m.t.	—	1,337	—	129	—	170
Iron & Steel	,,	82,183	3,647	10,182	411	6,688	363
Tin	,,	5,823	4,391	523	398	538	410
Machinery & Transportation Equipment	—	—	47,665	—	4,027	—	4,118
Machinery (excl. electric machines)	—	—	33,258	—	2,201	—	2,616
Electric Machines	—	—	6,267	—	966	—	575
Transportation Equipment	—	—	8,140	—	860	—	926
Miscellaneous	—	—	7,895	—	651	—	849
Total Imports (incl. others)	—	—	889,715	—	80,557	—	84,004

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.
Source: Customs Division, Tax Bureau, Ministry of Finance.